

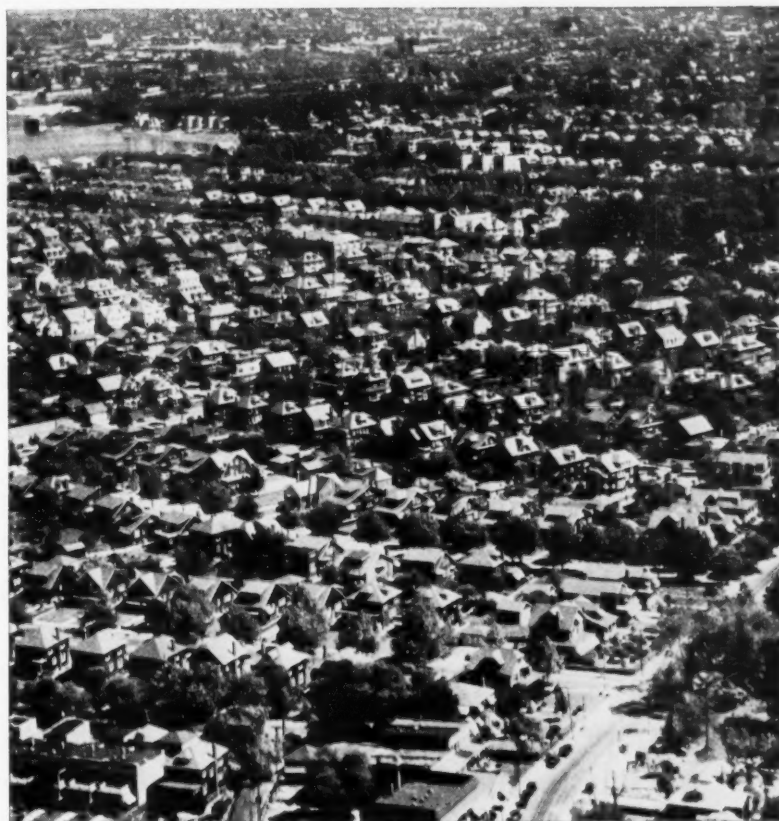
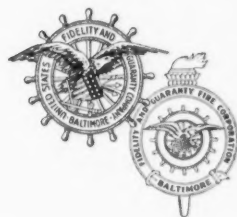
The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, JULY 14, 1932

280 Millions PAID IN CLAIMS

*Enough to build
a city of 56,000
homes—as many
as in Providence,
Atlanta, Denver
or St. Paul. . . .*



PICTURE what 280 million dollars mean! That sum would build a city of fifty-six thousand homes at \$5,000 each—and there are only thirty-odd cities as large in the United States: for example, Providence, Atlanta, Denver or St. Paul.

There you have a fair picture of the tremendous total which, since 1896, has been promptly paid out in claims and adjustment expenses by the U. S. F. & G. Born at the end of a four-year depression, when the

troubles which brought about the Spanish-American War were causing grave concern, the U. S. F. & G. has passed through many storms in our economic life. Yet it has never been late in payment of a claim.

Today that prompt payment policy stands as a demonstration to agents and brokers that they are insuring the future of their own business when they insure clients with the U. S. F. & G. and the F. & G. Fire.

These *Local-Agency-Minded* Companies originated the slogan, "Consult your Agent or Broker as you would your Doctor or Lawyer."

United States Fidelity and Guaranty Co.

with which is affiliated

... Fidelity and Guaranty Fire Corp. ...

Unexcelled service on all casualty, surety, fire, and inland marine lines through 11,000 Agencies and Branches in the United States and Canada. Home Offices: Baltimore, Maryland.

Great American Insurance Company New York

INCORPORATED - 1872



IN THESE TIMES

These are times of stress and strain. We are living in a most abnormal period. Disturbances and difficulties of almost every nature confront both companies and agents — unusual situations and problems must be met and solved almost daily.

In times like these it is comforting to agents of the Great American to know they have behind them an organization capable of properly meeting every contingency, for the Great American is never a "fair weather" company. It is as solidly back of its agents and their clients during these days of stress and strain as it will be when business will have righted itself again. A tie-up with the Great American assures an agent uniform service and support, not merely in fair weather but also during the days of adversity.

WESTERN DEPARTMENT

310 South Michigan Avenue :: CHICAGO, ILL.

C. R. STREET, Vice-President

INTERNATIONAL RE-INSURANCE CORPORATION



*Casualty and Surety
Treaty Reinsurances*

Share and Excess



INTERNATIONAL RE-INSURANCE CORPORATION

Carl M. Hansen, President

HOME OFFICES |

84 William Street
NEW YORK CITY

Pacific Finance Building
LOS ANGELES, CALIFORNIA

73/76 King William Street
LONDON

The Standard
TUESDAY, MAY 19, 1932

ED BANDITS \$900 IN BOLD LIGHT ROBBERY
Up Manager, Tie Up and Gag in Insurance Office in Mount Bank Building; Job Carefully Thugs Escape Police Cordon; As Work of New York Gangsters

CLUES FAIL BOTH SLEUTHS AND KIN IN HUNT FOR MAN
No Solution for W. A. Nickerson's Disappearance Found Despite Search

Four More Dinan Bandits Arraigned In Bank Case
Two Plead Guilty To First Degree Robbery In New Rochelle Holdup; Another Pair To Stand Trial

INDEPENDENT BUS COMPANY DELAYED IN ROYALTY

TRIAL FOR STEALING BANK HOLDUP HERE
Holds Six Firm Court Corroborates Plans Based on Trial Tomorrow; Faces 10 Year Sentence in 100 Year Term

Up Manager, Tie Up and Gag in Insurance Office in Mount Bank Building; Job Carefully Thugs Escape Police Cordon; As Work of New York Gangsters

Coyne Worried At New Outbreak of Banditry

PAIR LAND HELD AS FUGITIVE
Unable to Produce Reason When Questioned

TREASURY NET BALANCE
WASHINGTON May 19 (UP)—The Treasury set balance on May 19 was \$101,875,000. Receipts for that day were \$6,721,000. Cumulative receipts from Jan. 1 to May 19 were \$14,000,000.

Army In Fall Overboard, Battles Rescuers, Surgeons

ERNEST STURM, Chairman of the Board
BERNARD M. CULVER, President
THE FIDELITY AND CASUALTY COMPANY
ERNEST STURM, Chairman of the Board
WADE FETZER, Vice Chairman
BERNARD M. CULVER, President

When he crashes the front page - will his victims be insured against loss if they are your clients?

The AMERICA FORE GROUP of Insurance Companies
THE CONTINENTAL INSURANCE COMPANY FIDELITY-PHENIX FIRE INSURANCE COMPANY NIAGARA FIRE INSURANCE COMPANY
AMERICAN EAGLE FIRE INSURANCE COMPANY FIRST AMERICAN FIRE INSURANCE COMPANY MARYLAND INSURANCE COMPANY OF DELAWARE

Eighty Maiden Lane,

THE FIDELITY AND CASUALTY COMPANY
ERNEST STURM, Chairman of the Board
WADE FETZER, Vice Chairman
BERNARD M. CULVER, President

New York, N.Y.

NEW YORK

CHICAGO

SAN FRANCISCO

ATLANTA

DALLAS

MONTREAL

The National Underwriter

Thirty-Sixth Year No. 28

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, JULY 14, 1932

\$4.00 Per Year, 20 Cents a Copy

Decision on Pearl Delayed in N. Y.

Van Schaick Investigating Underwriting Policy Contemplated by Company

MUCH INTEREST IN CASE

Six Brokerage Offices in New York, Philadelphia, Boston, Chicago Backing Management of Company

NEW YORK, July 13.—Final decision of the New York department on the application for license as United States manager of the Pearl Assurance of London by John F. Guinness and by Stewart & Hobbs as United States general agents has not yet been made though local department officials say it may be expected any time. Several hearings were held several weeks ago and the absence since of Superintendent Van Schaick at the Democratic convention may have contributed to the delay. It is understood that, while no one was present at the hearings in opposition to the granting of these licenses, the department was in receipt of much information which probably explains the delay. It is understood that several United States managers have laid certain facts before Mr. Van Schaick for his consideration and have also advised their home offices of these for such use as they see fit to make of them. It is believed that some of this, at least, has been laid before Chairman George C. Tilley of the Pearl home office.

It is credibly reported that the New York department has been moved by this information laid before it to take the unusual course of asking Stevens & Hopps, as well as Mr. Guinness, for a formal statement relative to their proposed underwriting policy in the United States. This declaration being made, it is understood that a confirmation by home office officials of the Pearl was asked for which, if correct, might account for the delay in making the decision looked for.

Backing of Brokers

Interest in the whole matter has been accentuated by the fact that there are persistent rumors that six leading brokerage offices are backing the proposed Pearl management in this country. Cornwall & Stevens are, of course, among these six, the others being Brewster, Badeau & Co. of New York City, John C. Paige & Co. of Boston, Hutchinson, Revinus & Co. of Philadelphia and Moore, Case, Lyman & Hubbard and the Rollins-Burdick-Hunter Co., of Chicago. It is definitely understood that Mr. Anderson of the Paige office was one of those backing Guinness, Stevens & Hopps.

There can be little doubt that the

Some Agents Protest Merger of Rating Bureau Offices

FEAR DELAY IN RATE MAKING

Executives Answer There Is No Intention to Sacrifice Efficiency in Economy Move

NEW YORK, July 13.—Fire companies are in receipt of communications from some of their agents in the central west, protesting against the consolidation of branch state rating bureau offices, a move initiated by the companies in line with their expense retrenchment program. The agents seem to feel that the taking up of a branch office in a particular town will delay rate promulgation and thereby place the agents at a disadvantage in competing for business.

This fear, managers assert, is unjustified, in that there is no purpose to save money at the expense of efficiency. On the contrary, the contention is that under strong centralized control, rating experts, though deprived of extensive office facilities, would yet be in position to perform all and perhaps greater service than is now rendered, and to do it more promptly by being relieved of detail.

Cost Analysis Surprising

A review of the activities of the rating bureaus of the country was undertaken by the Insurance Executives Association soon after its launching, the cost analysis, to quote Paul L. Haid, president of the organization, revealing startling differences. It was found for example, Mr. Haid said, "that in one jurisdiction it cost two-and-a-half times as much to send almost the same inspection report to the companies as it does in some other territories."

"Thousands and thousands of inspection reports," he added, "are made and sent, and the difference in one jurisdiction as against the other was \$1.62." His conclusion was that the possibility of economy in this direction is self-evident.

No time was lost by the I. E. A. in curtailing the number of bureau offices; a process that will be continued until all expense susceptible of reduction, if not of elimination, has been shaved. Through the years rating bureaus multiplied out of all reason, the most flagrant case perhaps being in Pennsylvania, where no less than four separate offices were maintained; a condition managers recognized but neglected to act upon until forced by the falling off in premium income with the resultant increase in operating expenses. The pruning process is to be extended with the idea of improving service at the same time.

United States managers of British companies have been rather jarred by the news of the Pearl appointments and while none of these have been willing to be quoted their utterances leave no doubt about their attitude in the matter. One prominent United States manager said that he expressed the feeling of a considerable number of others when he said: "I believe that almost all the

(CONTINUED ON PAGE 11)

American Underwriters Are Adopting British Optimism

BECOMING PHILOSOPHICAL

Trips of Leaders Here to British Insurance Centers Serve to Improve Mental Outlook

NEW YORK, July 13.—American underwriters who have visited insurance centers in Great Britain during the past 12 months, and those at home who have talked intimately with British company executives traveling in this country, have been impressed with the philosophical attitude taken by the latter generally with respect to business conditions.

Conditions Not Unprecedented

Conceding that the existing situation is depressing and that it imposes great hardships upon those directing underwriting corporations as well as upon office and field staffs, British managers yet refused to admit that the conditions are without parallel in the past, insisting that, to a degree at least, they have been encountered at various periods during the past century, and will likely be met with again in future.

Briton Confirmed Optimist

Your true British official is a confirmed optimist, and while never allowing his enthusiasm to outweigh or materially to influence his business judgment, yet insists that a silver lining attaches to every cloud, however somber the latter may be, and he is content to work and wait for the passing of the depression era, confident that a brighter day is coming.

This frame of mind on the part of the underwriting leaders of Great Britain, in marked contrast to that displayed, unfortunately, by a considerable number of company officials on this side of the water, has so impressed some of the big men here that they too have assumed a more cheerful tone of late and have tried to imbue their office staffs with the same sensible optimism.

Number of People Engaged in Insurance

Statistics gotten up by the insurance department of the United States Chamber of Commerce show that there are 3,593,000 persons in the United States dependent in whole or in part upon the insurance business. The estimate of those actually engaged in insurance production exclusive of pendants is 1,043,636. This includes some part time workers. The total of company personnel, that is, officers and office employees including those who work in organizations and bureaus is given as 173,200, divided as follows: Life 86,200, fire 47,000, casualty 40,000. The number of agents, brokers and their employees is estimated as follows: Life 234,500; fire and casualty 809,136 or a total of 1,043,636.

Truck Business is Very Unprofitable

Carriers Fight Shy Particularly of Huge Overland Machines With Trailers

RATE BOOST INADEQUATE

Interurban Freight Involving Night Driving and Big Hazard to Public a Costly Line

NEW YORK, July 13.—Neither fire nor casualty companies writing automobile insurance regard with favor coverage on trucks transacting an interurban business. Some casualty offices refuse to consider such risks under any circumstances; others take accommodation lines only, while all scrutinize these offerings with the utmost care.

The record of the class justifies the critical attitude of underwriters, despite readjustment of public liability and property rates determined upon by the National Bureau of Casualty & Surety Underwriters May 23, and the 80 percent country-wide increase in collision tariffs promulgated by the National Automobile Underwriters Association earlier in the year.

Subjected to Great Hazard

Experience has demonstrated that a truck operating between two important centers presents a more serious hazard than one confining its deliveries to this city, for example, notwithstanding the great traffic congestion existing here. Where operations are restricted to a particular center, notably where the traffic is heavy, a truck does not cover anything like the mileage one engaged in interurban operations does. Again its driver is constantly upon the alert to avoid violating traffic regulations knowing that sharp penalties would be imposed upon him or his employer.

Deliveries are made during the day time when vision is clear and traffic police alert. The driver of the interurban truck, on the other hand, almost invariably does his driving at night, loadings being made at one terminal point through the day and discharged at destination 12 hours later.

Observe Curious Fact

Paradoxical though it may seem it is a fact that the majority of accidents to automobile trucks occur on level stretches of roadway, and during the hours when comparatively few cars are traveling. Underwriters believe that the drivers are less watchful on good roads, and often doze and lose control of their machines.

It has been the experience of some companies that large sight-seeing buses traveling over tortuous highways, with perhaps a cliff on one side and a yawning precipice on the other, offer far less

(CONTINUED ON PAGE 11)

New York Field Men Hold Annual Meet at Syracuse

ALL OFFICERS ARE RETAINED

Many Practical Measures Are Under Consideration—Blue Goose Session in Evening

SYRACUSE, July 13.—A number of practical measures were under consideration at the annual meeting here of the Underwriters Association of New York State, which was well attended. This is the field men's organization.

The report of the chairman of the executive committee recommended that no action be taken in publishing flat rates on school property, that present coinsurance requirements be retained. The request that the executive committee be advised of contemplated changes in the mercantile schedule developed that a new schedule has been tried out and is about to be applied.

Daw Makes Request

Lawrence Daw, manager of the Syracuse division of the New York fire insurance rating organization, asked that publicity be given to the request to agents not to send company addressed envelopes to the stamping office as a matter of postal economy.

The completion of a simplified sprinkler schedule was announced. This is expected to place the stock companies in a better competitive position in view of the recent requirement by the New York department that mutuals and reciprocals must file their basic schedules.

The association voted to recommend that the rules be changed limiting vacancy and unoccupancy to 30 days only without charge.

The present officers were continued in office.

In the afternoon and evening the meeting of the Blue Goose was held at the Oneida Lake Yacht and Country club. The dinner was attended by 86.

Most Loyal Gander W. H. Bryant of the American of Newark and Wielder C. W. Inglehart of the North American were designated delegates to the Grand Nest meeting.

Ridenour Joins Automobile in Southeastern Michigan

H. L. Ridenour, who for seven years has been Michigan state agent for the American of Newark, has joined the Automobile and Standard Fire of Hartford as state agent in southeastern Michigan. He succeeds E. J. Carter, resigned.

Mr. Ridenour was an examiner in the home office of the Minneapolis Fire & Marine when Alfred Stinson, now vice-president of the Automobile, was secretary of that company. Later he was an examiner in the western department of the American Eagle when Mr. Stinson was manager of that department. He traveled in the Michigan field three years for the American Eagle before joining the American.

Mr. Ridenour's headquarters will be in Detroit.

New Deputy Is Honored

The staff of the New York office of the insurance department will tender a complimentary dinner to J. G. Bill, Thursday night. Mr. Bill, who has been one of the attorneys of the liquidation department, Friday will become a deputy superintendent.

Firemen's Dividend Voted

The Firemen's of Newark declared a quarterly dividend of 15 cents a share par value \$5, payable July 25, and a last quarter dividend of 30 cents a share on par value \$10.

Death of Allison, Sr., Takes Dean of the Insurance Press

Young E. Allison, Sr., chairman of the board of the "Insurance Field," was stricken with a heart attack at his home and died Thursday night of last week. He had been in fairly good health until June 16 when he suffered a heart attack. He rallied but remained at home under the care of a physician. His family seemed to have confidence in his recovery but he suffered another attack July 5.

Mr. Allison was one of the founders of the old "Insurance Herald" of Louisville in 1888. Louis N. Geldert was business manager and purchased the controlling interest in 1899. Mr. Allison retiring from the publication. Shortly thereafter Mr. Allison and his associates founded the "Insurance Field," thus perpetuating his position in insurance newspaper circles.

Kept Up His Active Interest

He was 78 years of age last December. Funeral services were held Saturday afternoon from the family residence, the services being conducted by Rev. F. W. Hardy, senior canon of Christ Church Cathedral. Mr. Allison went to his office regularly and kept an active interest in the business. He was the dean of insurance newspaper writers, a man of wide literary accomplishments and taste, who had a fine acquaintance with the best that has been written. His son, Young E. Allison, Jr., is president of the "Insurance Field."

Mr. Allison was born at Henderson, Ky., Dec. 23, 1853. His father, Young E. Allison, was a leading citizen, presiding as magistrate, county judge and county clerk. Before he was 12 years old Mr. Allison was deputy county clerk and at the age of 14 was working in a country newspaper office. His name appeared shortly thereafter as local editor of the "Henderson News." The "Chronicle" was the first daily paper published in Henderson and was established by Mr. Allison at the age of 19. He left a

year later to go to Evansville, Ind., to become city editor of the "Journal" there.

In 1880 Mr. Allison located in Louisville, becoming city editor of the "Courier Journal." Later he was managing editor of the old "Louisville Commercial." From 1886 to 1889 he was secretary of the Louisville Board of Trade committee that was boosting the city and was instrumental in organizing the Commercial Club. L. T. Davidson and August Straus were associated with him in founding the "Insurance Field."

Returned to the Daily Field

He continued as its editorial head until 1902, when he became editor in chief of the old Louisville "Herald." It was in 1902 that Mr. Allison induced C. I. Hitchcock, who was insurance editor of the Chicago "Record Herald," to go to Louisville and take charge of the "Field." Mr. Allison returned however in 1905 giving all his time to the "Insurance Field" after he disposed of his interest in the Louisville "Herald."

He was an omnivorous reader and very discriminating in his tastes. Perhaps Mr. Allison created his greatest fame in writing the ballad, "The Derelict," which completed Robert Louis Stevenson's fragmentary "Fifteen Men on a Dead Man's Chest." This poem of Mr. Allison's was set to music by Harry Waller. In collaboration with Mr. Waller Mr. Allison wrote the librettos of a number of operas. Mr. Allison was very fond of reading novels. He wrote a book entitled "The Delicious Vice." This had to do with the reading of fiction.

Acquainted With Literary Folk

He enjoyed the acquaintance of many literary men of his generation. James Whitcomb Riley dedicated a volume, "Riley's Songs of Friendship" to Mr. Allison. J. Christian Day, Chicago, li-

(CONTINUED ON PAGE 9)

Why Dwelling Loss Ratio Is High in South, Southwest

POOR CONSTRUCTION BLAMED

Few Houses Are Plastered and "Paper Shell" Interiors Make Hazard High, Total Loss Probable

FORT WORTH, TEX., July 13.—There is a general feeling that in the south and southwest there must be a greater moral hazard involved in the writing of dwellings and/or contents than in other parts of the United States, but a closer study of the underlying causes for a greater loss ratio will reveal that it is construction of properties rather than the character of the people that really causes the more than extravagant fire waste below the Mason and Dixon Line. This expression comes from a man who has made a study of the subject for more than 30 years, of more than a third of that time in the direct interest of the companies and the remainder in the local agency business.

Few Dwellings Plastered

Dwellings in the north and east, whether of frame or better construction, are almost invariably plastered, with the result that total losses are the exception rather than the rule. In the south probably more than 90 percent of the frame dwellings and more than 75 percent of brick-vener dwellings are not plastered and can be very properly termed to have "paper shell" interiors. In addition to alleged climatic conditions, which do not call for warmer houses, there is the matter of cheaper construction. These houses almost without exception are sheathed on the interior, both walls and ceiling, with low grade, cracked and knotty shiplap or boxing, or whatever might be most convenient and cheapest, then covered with 4-cent canvas sparsely tacked, then covered with paper of various grades, more often than otherwise as cheap as can be had—so long as it is artistically colored or designed.

Total Losses Likely

Let a window curtain ignite, an open fire be left burning, or any heating device be left too close to the wall, and it is easy to be seen that a fire is pretty apt to follow. Once the canvas and paper have thoroughly dried out, they are highly inflammable and the whole situation is more than aggravated by interior sheathing full of cracks and knot holes, with the result that the average five or six-room cottage is aflame all over its interior, and often the heat is intense enough to even crack the window panes. The local authorities, neighbors or whoever may happen to pass along let out the cry "incendiarism."

Rate Penalty Suggested

There is no greater moral hazard in the south and southwest than anywhere else in the world, this insurance man says, but there is no chance to alleviate the situation until a penalty in the nature of an increased rate is put on this character of construction. The present rate is adequate for better built houses whether frame or brick, if plastered, but is wholly insufficient to cover the hazard in the case of the "paper shell" interior. Until the companies themselves study this subject in line with the suggestion outlined, he says there will be no cure for the evil. Until concerted action is taken and the rate-making bodies in the various states involved are induced to penalize faulty construction, just so long is this terrific loss ratio bound to continue.

The LaSalle Fire of New Orleans, which reinsured its liabilities in the Inter-Ocean Reinsurance, is retiring from Illinois.

THE WEEK IN INSURANCE

Decision of the New York department on the application for license for the Pearl Assurance is delayed, while Superintendent Van Schaick investigates underwriting policy of that company in this country. **Page 3**

Young E. Allison, Sr., chairman of the board of the "Insurance Field," and its founder, dean of insurance newspaper editors, is dead. **Page 4**

New England agents at annual convention adopt resolution to urge governors of six states in section to name agents' committees in National Bureau of Casualty & Surety Underwriters' drive to reduce automobile accidents. **Page 5**

Protests are launched by some agents against program for consolidation of rating bureaus, fearing that rate promulgation will be thereby delayed. Executives answer that there is no intention to sacrifice efficiency for economy. **Page 3**

High dwelling loss ratio in south and southwest blamed on faulty construction rather than moral hazard. **Page 4**

Commissioner Mortensen of Wisconsin orders companies, effective Jan. 1, to employ new state controlled plan of fire risk classification in five general groupings, to comply with law passed by last legislature. **Page 6**

American underwriters who have visited British insurance centers recently brought back improved morale and philosophical attitude toward depression. **Page 3**

Membership of the Insurance Executives Association is published, showing affiliation of 39 chief executives representing 138 companies. **Page 5**

Annual convention of National Association of Mutual Insurance Agents is being held this week at Virginia Beach. **Page 5**

Overland trucking coverage an expensive line for carriers. **Page 3**

Summer meeting of the Underwriters Association of New York State was held at Syracuse at which a number of subjects were discussed. **Page 4**

Firesafe Homes Indemnitors formed in Chicago to guarantee instalment payments under novel plan to encourage single family home building. **Page 6**

Deadlock in the National Council on Compensation Insurance brings up again the possibility of the stock companies withdrawing from that organization and establishing a rating organization of their own. **Page 25**

Edward J. Stoddard, first assistant to the superintendent of the casualty claim department of the Hartford Accident home office, becomes general attorney in charge of claims at head office of the Central West Casualty of Detroit. **Page 26**

Midwest Indemnity & Insurance Company is being organized at Oklahoma City with W. L. Taylor as president. It expects to be ready for business about Sept. 1. **Page 31**

Arrangements are being made for the annual meeting of the International Claim Association at White Sulphur Springs, Sept. 12-14. **Page 26**

Towner Rating Bureau experience exhibit for last year showed net losses \$50,891,587 on surety and \$22,698,793 on fidelity. **Page 26**

Suit started to upset reinsurance of New Jersey Fidelity & Plate Glass in Commercial Casualty. **Page 26**

National Bureau's Program Adopted

New England Agents Aid Movement to Reduce Toll of Automobile Accidents

ACT AT ANNUAL MEETING

Resolution Adopted to Urge Governors of Six States in Section to Appoint Agents' Committees

A practical endorsement of the highway safety campaign of the National Bureau of Casualty & Surety Underwriters was given by agents of the six New England states in the annual convention of the New England Association of Insurance Agents.

A. W. Whitney, associate general manager, and J. J. Hall, of the National bureau; J. D. Hall, manager United States Fidelity & Guaranty, Des Moines, and Motor Vehicle Commissioner J. F. Griffin of New Hampshire were allowed a large share of the program to discuss the subject, and every angle of the National bureau's safety program was brought out.

Commissioner Sullivan's Views

Commissioner J. E. Sullivan of New Hampshire brought the matter to a definite conclusion by stating, "The safety campaign of the National bureau will fail unless some concerted plan results from all this discussion. The agents may not think they have any greater interest in automobile accidents than others, but the fact is they have a paramount interest. For unless a remedy is produced to reduce automobile accidents it will only be a short time before you as agents won't have anything to say about insurance rates, or policies or commissions, or anything else."

"When the public rises and acts as a mass they may and often do act contrary to the wishes of the people and the ordinary customs and practices of the country. It may mean state insurance. Hence the burden of carrying this plan should bear upon the shoulders of the insurance agents. It can't be carried out unless the chief executives of the states take notice of the Whitney plan and I would suggest that ten insurance agents, representing ten districts of the state, be named to carry out this plan, to substantially reduce accidents."

Resolution Is Adopted

A resolution was proposed by C. W. Varney of Rochester that Mr. Whitney request governors of the six New England states to appoint suitable committees of agents in each state under direction of motor vehicle commissioners to carry out the automobile safety campaign of the National bureau.

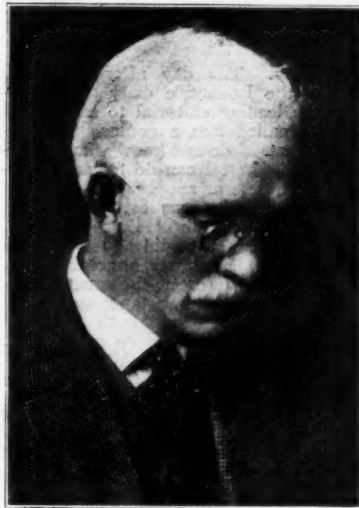
There was much interest in the appearance of J. L. Case of Norwich, past president National Association of Insurance Agents, who made formal answer to objections against the plan for automatic cancellation of policies for non-payment of premiums.

Allen Makes Impression

E. M. Allen, president National Surety, addressed the convention on "Leadership," making a most favorable impression. His talk was intimate, emphasizing that agents must go back and become again the qualified underwriters of former times. It was presented in large part in THE NATIONAL UNDERWRITER last week.

(CONTINUED ON PAGE 23)

Editor Dead



YOUNG E. ALLISON, SR.

Young E. Allison, Sr., chairman of the board of the "Insurance Field" of Louisville, and its founder, who died last week, was the dean of insurance newspaper editors, a most finished writer, an urbane gentleman, who gained even more distinction outside the trade insurance press field than he did within.

Mutual Agents Association Holds Convention This Week

The annual convention of the National Association of Mutual Insurance Agents starts Thursday of this week at Virginia Beach, Va. John R. Chappell, Jr., is president and E. I. Oakes of Washington, D. C., is secretary. A. R. Peters of Washington, D. C., vice-president, is a son of President Justin Peters of the Pennsylvania Lumbermen's Mutual. The program is as follows:

Thursday, July 14

9:30 a. m.

Address of Welcome—Mayor C. E. Barco.
Response, A. R. Peters, Washington, D. C.
Presentation of president's report.
"The Need of a Strong Mutual Agents' Association," Fred Reuning, Bristol, Va.
"Selling the Contingent Liability," James Minor, Charlottesville, Va.
"Inland Marine Insurance," R. J. Chalmers, Pennsylvania Lumbermen's, Philadelphia.
"Selling Mutual Insurance," E. V. Thompson, St. Louis.
"Advertising," J. L. Jones, Mansfield, O.
"Safety First" (a moving picture), Lumbermen's Mutual Casualty, Chicago.

Friday, July 15

9:30 a. m.

"Mutual Casualty Insurance," E. R. Winters, Lumbermen's Mutual Casualty, Richmond, Va.
"Stability of Mutual Companies," John A. Gilmore, Charlottesville, Va.
"Adjustment of Losses," Gage McCotter, agency superintendent Grain Dealers National Mutual, Indianapolis.
"Selling Participating Automobile Insurance," Dudley Kincade, St. Louis.
"The Company and the Agent," H. J. Pelstring, secretary Pennsylvania Lumbermen's, Philadelphia.
Report of nominations committee.
Election of officers.
"Selling Self Reliance," Ray Smith, Van Wert, O.
"Profits from Safety Campaigns," Chris Wyld, Philadelphia, Pa.
Round table discussion.

Farm Company Will Retire

The Farmers Cumberland Mutual County Fire of Toledo, Ill., has been referred to the attorney general for action to liquidate. The business was canceled as of Jan. 10, 1931, and re-

Would Load Premiums to Cover All Friendly Fires

By ATWOOD L. JENKINS
Richmond, Ind.

I have been very much interested in the comments coming from different sources to the effect that a boost in fire insurance rates is inevitable, particular reference to which is made in the June 23 issue of THE NATIONAL UNDERWRITER. If, as stated in that article, a fire rate boost is inevitable, I presume that the companies have made a very careful analysis of the various increases in their losses, and no doubt one of these causes is the friendly fires.

I draw my conclusions from the fact that I recently heard a company executive state that friendly fires would have to be eliminated from coverage. It is my honest opinion that the elimination of loss by friendly fires is going to create a great disturbance among the insuring public, for to a large degree the companies have always taken care of these friendly fires rather than have controversy with the assured, or as a means of showing the liberality of the company in the adjustment of the loss.

If the companies have come to the conclusion that a raise in rate is necessary, would it not be very advisable to impress upon them the necessity of raising the rates sufficiently to take care of such annoying losses as electric losses, smoke and smudge losses, damage caused by hot flat irons, warming pads, cigarettes, etc.

If the assumption and payment of such losses has any bearing on the increased loss ratio and the agents can truthfully state to the insuring public that this is one of the contributing causes, if not the principal cause, I am thoroughly convinced that the public would much rather pay the slight additional cost and have the coverage, than save premium and assume these losses.

To make a summary of the situation, it is my belief that now is the time to impress upon the companies the necessity of loading their premium sufficiently to assume friendly fires including smoke and smudge damage.

Expect Large Attendance at the Philadelphia Convention

PHILADELPHIA, July 13. — A meeting of delegates from the Philadelphia Association of Insurance Agents and local boards throughout the state was held here Monday. Indications point to an attendance of about 2,000 at the annual convention of the National Association of Insurance Agents to be held at Philadelphia, Sept. 20-23. The session was presided over by K. H. Bair of Greensburg, president of the Pennsylvania association. The Louisiana association is planning to charter a special train from New Orleans and western Pennsylvania agents will have a train of their own from Pittsburgh. Those present at the meeting were A. S. Galland, Wilkes-Barre; W. R. Roberts, Bethlehem; J. C. McCarthy, Pittsburgh; Russell Bleakley, Philadelphia; J. W. Barr, Oil City; A. U. Crosby and C. T. Monk, Philadelphia; James Lavelle, Scranton; J. K. Payne, president Philadelphia association; James W. Henry, Pittsburgh; K. H. Bair, Greensboro; W. H. Chase, Philadelphia, chairman general convention committee; R. S. Brown, Allentown; H. H. Kenny and J. A. Tift of Philadelphia.

Mrs. K. H. Bair was elected honorary chairman of the entertainment committee. The entertainment committee has arranged the use of three golf courses for those who will attend.

Concession Made in Tennessee

In order to relieve fire companies operating in Tennessee from unnecessary labor and expense, Commissioner Reece has consented that where proof is supplied of payment of the state premium tax during the past six years it will be unnecessary to tabulate the additional fire marshal tax figures for the same period; the assumption being that where settlement was made on the one account remittance was likewise made for the other. This concession on the part of the commissioner is greatly appreciated by companies, relieving their offices as it does, of a considerable amount of burdensome research work, particularly at a time when clerical staffs are depleted because of the vacation season.

written in the Charleston Coles County Grange at Charleston.

May Change Meeting Place of Blue Goose Grand Nest Rally

A mail vote is being taken by the grand nest of the Blue Goose as to whether it is desirable to change the annual meeting place from Jacksonville, Fla., to some more central point in view of the conditions of the times. Most Loyal Grand Gander W. F. C. Fellers resides at Jacksonville. It was his special wish that delegates meet in his home city and state and honor the south in this way. Since then, however, economic conditions have not improved. There is a general tendency to cut down expenses in every way and hence some of the grand nest family felt that there should be a change in the arrangement. As soon as the mail vote is completed, Grand Wielder Helliwell will announce the results.

C. H. Capron, formerly with the Texas insurance commission and then with the Arthur Randol agency, is now fire insurance engineer of the G. C. Eichlitz Agency, San Antonio.

First Policy of North River on a Cash Basis

BIRMINGHAM, ALA., July 13.—Further precedent for a 30-day cancellation clause in fire insurance policies has been found by C. L. Gandy, chairman executive committee National Association of Insurance Agents, which is advocating such a clause to ameliorate the collection problem. He has in his possession policy No. 1 of the North River, written March 6, 1822, and containing a cancellation clause.

Under the conditions enumerated in the policy is the following: "No insurance, whether original or continued, shall be considered as binding, until actual payment of the premium." The policy was loaned to Mr. Gandy by Hines Brothers, Atlanta, managers of the Crum & Forster group. It was written on a "two-story frame dwelling house with brick front" in New York City for \$4,000. A receipt for the premium indicates it was a cash transaction.

"This with other policies which we have inspected give us ample proof that for the first 100 years fire insurance was written on a cash basis," said Mr. Gandy.

Fire Classification Plan Is Ordered in Wisconsin Jan. 1

CARRIERS LOSE RATE CONTROL

Commissioner Mortensen Calls for Adherence to Method Employing Five General Risk Groupings

Fire companies operating in Wisconsin Jan. 1 must adopt a standard classification of risks plan worked out by the insurance department, Commissioner Mortensen announced. The rating plan was made to comply with a mandate of the last legislature. It reduces the 26 classifications now in effect to 12. Mr. Mortensen expresses the hope that the classification system will remain in force long enough to build up real fire risk experience.

Classifications Reduced

He points out that originally there were about 1,800 classes, this number continuing to dwindle from year to year until the present number was reached. As a result of the constantly changing number of classes it has been impossible to build adequate experience as to fairness of fire rates. The Wisconsin plan has been considered by national insurance groups but was not adopted.

"Wisconsin has never hesitated to venture on uncharted seas," Commissioner Mortensen said. "It has pioneered much constructive legislation and blazed the trail in the enactment of many laws that have proven of great social benefit not to only its citizens but to the public at large."

Commissioner's Statement

"Those who have given careful study to the development of this plan are confident that it will demonstrate its superiority over any classification heretofore devised or used in the fire insurance field, and believe it will make a valuable contribution to the rating feature of fire insurance."

Adoption of the system means removal of control of fire insurance rating from the companies and placing full power with the state. Wisconsin has lacked the necessary experience statistics for rate making and schedules were worked out by the rating bureau maintained by the companies.

The situation aroused members of the legislature last session with a number of public hearings on the subject.

Five General Classes

The plan groups all risks in five general classes based on related inherent degrees of combustibility as referred to in the rating schedules. Mr. Mortensen explains, except public buildings, dwellings, seasonal risks, farm property, sprinkler risks and miscellaneous risks not otherwise classified. The classification includes all occupancies shown in rating schedules filed with the department, and thus harmonizes with the accepted rating schedules.

The department decided to be of value, classification must be based on hazards charged in rating schedules. The groupings will not be changed or disturbed until sufficient time has elapsed to gather reliable experience.

Report Form Proposed

Appended to the order is a proposed classification report form. Under "frame construction" the classes at the left, reading down are: 1. slow-burning; 2. moderate-burning; 3. free-burning; 4. intense-burning; 5. flash-burning; 6. manufacturing not otherwise specified; 8. public buildings; 11. dwelling class, and totals. Headings of columns left to right are: Protected, business written, premiums, losses; unprotected, business written, premiums, losses.

Brick construction: Protected, Unprotected; headings same as above.

Fire resistant construction (protected and unprotected). Classes: same as un-

(CONTINUED ON PAGE 11)

Young E. Allison—An Appreciation

By EDWARD JAY WOHLGEMUTH
President The National Underwriter

Large as Young E. Allison loomed in the insurance world, it is not as an insurance editor that he will be best and longest remembered. The fact that a man could make the contribution to a great business that Mr. Allison did and yet to have that achievement regarded merely as one of his many sides, shows us at once that he was a man of unusual intellectual stature. In Louisville and throughout Kentucky, where he was as well known and as highly regarded as he was throughout the insurance world, people could not understand how Mr. Allison could have become prominent in such a dry field as insurance statistics and as the editor of a paper devoted to business in a great economic field because they knew and regarded him as a delightful critic, a historian, poet and writer in every field but that of dull business.

It would be unfair to Mr. Allison to say that he was less interested in the insurance business than in his many other interests. In fact, it is very clear that his major interest was insurance,

personality. The day after his death each of the Louisville daily papers devoted its leading editorial to him. One of them called him a genius. Perhaps he was that. I do not know what a genius is. The best I can do towards making an estimate or appreciation is to say that I believe he was cast very much in the mold of Robert Louis Stephenson and to this I would add that there was probably a greater appreciation of Stephen Collins Foster, the great American song writer, than Stephenson could have given. He had both sides of Stephenson; the side which could write "Fifteen Men on a Dead Man's Chest," which Allison completed, and the finest flowers of imagination and criticism which Stephenson showed in his descriptive writings, essays and tales. His understanding of Foster, that rare and lonely emotional spirit, was supreme. No one will ever be able to write about Foster as Allison could have had he wished. What he did write about him were merely fragments. Allison did not have the urge to write for a living

It is particularly appropriate that Mr. Wohlgemuth, the head of The National Underwriter organization, write a word in tribute to the late Young E. Allison of the "Insurance Field" because Mr. Allison was his old time employer. In fact, Mr. Wohlgemuth always looked upon him with solemn reverence, an attitude that he perhaps has not shown to any other man in like degree. As a young man Mr. Wohlgemuth went with the old "Insurance Herald" of Louisville in 1895, when Mr. Allison was at its head. He was just starting in the world of affairs and in his plastic state of mind received from his superior impressions and lessons that were profound and lasting.—Editor.

not only because he made his living that way, but because he found something especially congenial in the insurance atmosphere. He enjoyed the association of many of the choicest spirits and especially the leading executives. There was something in his fine intellectual grasp of all subjects that made him just as much at home with the creative minds and leaders of insurance as with, for instance, James Whitcomb Riley. Men in every field found his mind equal or superior to theirs. Although not educated in music, he readily understood the greatest music, and produced several operas. He spent many happy hours and days with James Whitcomb Riley who took him to his heart as a choice congenial spirit in poesy and humor. The greatest leaders in insurance recognized him as one of their own and he was equally at home with Henry Evans and Darwin P. Kingsley. Among the literary men of Kentucky he has long held a high and secure place and one of the authorities in this field recently placed him at the head of Kentucky writers.

Tried to Avoid the Trappings

And yet as a writer he produced very little. He seemed to wish to avoid the trappings that go with literary fame. He was not exclusive or "highbrow," but just the opposite, and yet he did not want to be bothered with the attentions that are accorded the so called "popular man." What he wrote was about something that interested him keenly. Many subjects before him would have made good literature yet they never enticed him to write at all. There is real literature in the thousands of letters that he wrote his friends. There was real literature in his every day, casual conversation. To be numbered among his friends was a perennial delight and satisfaction. It was a thought treasured as one thinks of happy days and sweet memories. If you were one of those friends, it just happened so. If you were not, there was nothing you could do to gain his interest.

It would be beyond me to make a true estimate and criticism of his mental powers and his charming many sided

which pressed Stephenson on and on. He never produced literature of necessity. He always played and never worked at writing, and even after he had written something he cared nothing about its circulation.

There was nothing striking about his personality except perhaps his innate and instinctive courtesy to everyone, but one could not help noticing his large poise which betokened a great working brain. I spent a couple of charming hours with him only two months before he passed on. We always talked of many things, except business, or rather I listened. In our talks we always discussed Stephen Foster and on this occasion he showed irritation that people should engage in controversy and take such a large interest in mere facts. He remarked that throughout his life he had never sought anything but romance and I believe this to be the keynote of his activities. He was absolutely devoid of any meanness or pettiness. He was of course not a romanticist because above all he sought always the kernel of truth and reality in the beauty of life, literature and nature. Although not a typical Kentuckian, in the popular sense, he was of the soul of Kentucky. That "first gentleman of the south" an insurance man, Gen. John B. Castleman, found him as congenial a companion as Henry Evans or James Whitcomb Riley.

Spirit of Religion in Him

He knew little of and cared nothing for the forms of religion. He would perhaps be classed as an agnostic, and yet the spirit of religion was within him. When I remarked to him on one occasion that Professor Loeb of California had discovered a scientific means to produce life, he pooh-poohed the idea and said that Loeb could not be right. He used to spend several weeks a year with the head of the Trappist monks, the Silent Brotherhood, at Gethsemane, Ky., and he was on the friendliest terms with Catholic priests, Jewish rabbis, and men religiously inclined. In spite of his apparent lack of religious principles, I thought I detected in him, especially towards the last, an inclination towards

Chicago Mutual Is Formed to Guarantee Home Building

NOVEL PLAN IS FORMULATED

Incorporators Say 38 Life Companies Have Pledged Financial Backing for One-family Residences

The Firesafe Homes Indemnitor, a mutual, has been formed at Chicago as one of a group of corporations built around the idea of financing and constructing fire-resistive one-family residences of superior type in the Chicago area on order by individuals.

Some 38 of the smaller life insurance companies throughout the central west are interested, according to D. L. Jacobson, originator of the idea and sole owner of a central group, the Firesafe Homes Bureau of Chicago, with which are affiliated over 40 manufacturers of building materials and building subcontractors. The life companies, according to Mr. Jacobson, have pledged \$10,000,000 to be made available through a finance company, the American Registry Company. The life companies will take first mortgages for 70 percent of the selling price. The plan calls for two-thirds of the paper thus secured to be sold to small banks, endowments, universities, etc., over a large area.

Homes to Be Built

The homes will be built by the National Firesafe Home Builders Corporation of which Mr. Jacobson is president and C. W. McCumber is secretary. C. E. Bogart is president of the registry company.

Officers of the Firesafe Homes Indemnitors are: President, A. P. Brown of B. F. Reynolds & Company, heating engineers; vice-president and treasurer, I. Callner of the Joseph Lumber Company, and secretary, C. W. McCumber, also secretary of the national corporation.

The loans will be made on homes to cost between \$6,500 and \$25,000, built on lots where the owner has clear title, and will be 15-year, amortized, with 6 percent interest, a 5 percent commission being charged, deductible in advance. Payments are to be \$8.44 per month per \$1,000 of sale price.

The plan calls for 2 percent of gross payments made by individuals to go into a surplus or guaranty fund of the Indemnitors, and 10 percent of gross profits of construction companies similarly to be set aside. These two items are to be not less than 3 percent of gross volume from sale of homes.

The cover on the instalment payments on the homes will be in the form of blanket indemnity protecting against delinquency.

According to Mr. Jacobson, who for many years was in charge of promotions for the Trus-Con company, manufacturing steel building material, the specifications call for homes of permanence and beauty. Exterior will be of masonry with heavy insulation of refrigerator type. All floors will be of white oak parquetry laid on steel joist and concrete sub-floors. No wood framing will be used below the eaves, he said. Roofs will be of slate and down-spouts and other metal work of copper, and each home will have an air conditioner, oil burner, incinerator, refrigerator and other conveniences. The price will run from 33 to 38 cents per cubic foot, Mr. Jacobson said, comparing favorably with ordinary construction, and with 80 percent coinsurance clause the insurance rate for the type of construction specified it is estimated will be 6.4 cents.

the Catholic conception of religion. No doubt it appealed to his highly imaginative and spiritual nature. But he could never be conceived of as a churchman. He was just Allison, an enigma to common mortals.

\$TABILITY COUNTS

. . . at all times, but especially so during times of stress. Stability—what an essential characteristic in any institution having financial responsibilities! It breathes soundness, constancy and solidity. It is the rock of security that lives through every storm. » The stability of the Home Insurance Company of New York is assured because of its financial strength, sound underwriting methods and reputable business practices and these are supplemented by a reputation based on over seventy-nine years of dependable service to agents and policyholders.



THE HOME INSURANCE COMPANY **NEW YORK**
 59 MAIDEN LANE ORGANIZED 1853 NEW YORK, N. Y.

Strength « » **Reputation** « » **Service**

The 1932 crop of BURGLARS

HARD times mean an increased number of hard-up youths and men.

This, in turn, means an extra crop of burglars, sneak-thieves and hold-up workers.

Personal property of value insufficient to attract robbers ordinarily becomes well worth stealing when necessity urges.

Conditions today prompt the wise householder to carry Burglary Insurance. But this, like any other insurance, must be written in a financially strong company in order to provide real protection.



This Company is one of the "North America Companies." The combined assets of the companies comprising the North America group are more than \$112,000,000.

**Indemnity Insurance Company
of North America**

PHILADELPHIA

CHANGES IN THE FIELD

Pierson Goes With American

**Takes the Western Michigan Territory
Succeeding H. L. Ridenour Who
Has Resigned His Position**

The American through its western department, announces the appointment of Fred H. Pierson as western Michigan state agent, succeeding H. L. Ridenour, who joins the Automobile. Mr. Pierson is familiar with the field he will take over as he was formerly connected with agents reporting to the western department, having served the department as staff engineer for several years prior to engaging in the local and general agency business at Kalamazoo. Mr. Pierson will make his headquarters at Kalamazoo.

Arthur I. Lowe

Arthur I. Lowe has been appointed special agent of the Glens Falls and Commerce for eastern Massachusetts and Rhode Island with headquarters at 89 Broad street, Boston. He has been with the company for 10 years as examiner and field man.

J. A. Bosdett

J. A. Bosdett, state agent, located at Oklahoma City, has been given charge of the entire state of Oklahoma for the Royal, Queen and Newark Fire taking over, in addition to his former territory, the eastern portion of Oklahoma which

was previously handled by Leonard Bocher. Mr. Bocher has resigned from special agency work to engage in business as a local agent, and has purchased the Louis Grant Insurance Agency at Tulsa.

George Hesse

George Hesse is returning to Kentucky as state agent for the Corroon & Reynolds fleet, succeeding C. M. Skinner. Mr. Hesse was formerly special agent in Kentucky for the North British fleet, going there from the home office in 1926. The next year he became state agent for Tennessee and then returned to New York where he has been in the home offices of the Importers & Exporters and Corroon & Reynolds.

John R. Hoff

John R. Hoff, Columbus, O., who has been special agent for the North America group, is transferred to South Dakota, where he will assist State Agent L. G. Spies.

J. R. Watson

J. R. Watson, for a number of years Kentucky state agent for the Northern of London group, is now state agent for Tennessee as well, having assumed jurisdiction over the latter territory July 1, following the retirement from active service of C. J. Scruggs, who traveled the state for nearly 25 years, being one of the veteran field men in the service of the Northern.

Membership of I. E. A. Given

NEW YORK, July 13.—Thirty-nine chief officials, representing 138 companies writing more than three-quarters of the stock fire insurance premiums reported to the National Board, hold membership in the Insurance Executives Association. Additional chief executives are considering affiliating with the organization and the assumption is that a number will decide to come into the fold in the near future. Membership in the association is individual, each official being obligated to observe its rules in so far as the companies of which he is the head are concerned.

The present membership, including the alternate authorized to act in the absence of his chief, is presented herewith:

C. W. Bailey (alternate, Paul B. Sommers), American of Newark group.
R. P. Barbour (alternate, J. Victor Lane), Northern of London group.
Percival Beresford (alternate, T. J. Irvine), Phoenix of London group.
F. R. Bigelow (alternate, C. F. Codere), St. Paul Fire & Marine group.
R. M. Bissell (alternate, James Wyper), Hartford Fire group.
W. A. Blodgett (alternate, O. F. Wallin), Eagle Star & British Dominions and Lincoln Fire.
G. G. Bulkley (alternate, Walter B. Cruttenden), Springfield Fire & Marine group.
R. R. Clark (alternate, Wm. L. Brown), Caledonian group.
Hart Darlington (alternate, H. J. Noble), Norwich Union Fire group.
Gayle T. Forbush (alternate, Arthur Waller), Royal Exchange group.
F. A. Gantert (alternate, J. Tabb Robertson), Fidelity & Guaranty Fire.
W. R. Hedge (alternate, I. Lloyd Greene), Boston and Old Colony.
C. W. Higley (alternate, Montgomery Clark), Hanover group.
G. C. House (alternate, F. B. Luce), Providence Washington group.
R. B. Ives (alternate, W. Ross McCain), Aetna Fire group.
F. W. Koeckert (alternate, D. E. Monroe), Commercial Union group.
W. H. Koop (alternate, A. R. Phillips), Great American group.
Wilfred Kurth (alternate, H. V. Smith), Home group.

O. E. Lane (alternate, James G. Macconachy), Fire Association group.
F. D. Layton (alternate, S. T. Maxwell), National of Hartford group.
J. B. Levison (alternate, E. T. Cairns), Fireman's Fund group.
F. B. Martin (alternate, Stewart H. Davey), Yorkshire group.
R. R. Martin (alternate, Richard T. Butler), Atlas group.
Edward Milligan (alternate, Geo. C. Long, Jr.), Phoenix of Hartford group.
E. W. Nourse (alternate, Christopher D. Shaffe), London Assurance group.
E. G. Pieper (alternate, Tunis Johnson), Rhode Island group.
Victor Roth (alternate, Walter D. Williams), Security of New Haven group.
Benjamin Rush (alternate, John O. Platt), North America group.
F. W. Sargeant (alternate, W. B. Burpee), New Hampshire group.
C. F. Shallcross (alternate, Chas. E. Case), North British & Mercantile group.
Alfred Stinson (alternate, Joseph K. Hooker), Aetna Life group.
Ernest Sturm (alternate, B. M. Culver), America Fore group.
John M. Thomas (alternate, H. A. Yates), National Union Fire group.
J. H. Vreeland (alternate, J. H. McCormick), Scottish Union & National group.
H. R. Waite (alternate, E. J. Dickey), Agricultural group.
Harold Warner (alternate, H. T. Cartledge), Royal-Liverpool group.
J. M. Wennstrom (alternate, M. J. Zaengle), Svea group.
E. W. West (alternate, F. M. Smalley), Glens Falls group.
R. H. Williams (alternate, Esmond Ewing), Travelers Fire.

Engineers of the National Board will visit Fond du Lac, Wis., shortly to start inspection and classification of the city. Lower rates are in prospect for the city with the program improvements to the fire fighting facilities about completed.

FOR SALE

Best General Insurance Agency in good town of 1200 in Illinois. 1931 premium income \$10,000. Bargain price during July. Address **W-56**, The National Underwriter, Chicago.

Death of Allison, Sr., Takes Dean of Insurance Press

(CONTINUED FROM PAGE 4)

brian, wrote a book, "Echoes of Robert Louis Stevenson" dedicated to Mr. Allison. "The Outlaws of Cave In Rock" by Otto A. Rothert was also dedicated to Mr. Allison. Mr. Allison was deeply interested in the movement to save Federal Hill at Bardstown, Ky., the Rowan home, where Stephen Collins Foster wrote "The Old Kentucky Home." He became a member of the first "Old Kentucky Home" commission and was the author of a book giving the history of the song and other details of the shrine now standing at Bardstown. In fact the last trip that he took was in early June when he went to Bardstown accompanied by John Doyle, who had written a number of articles on Catholic history in Kentucky.

Wrote on Note Paper with Green Ink

Because of his deafness which increased in later years, Mr. Allison did not keep up his personal outside contacts with the insurance world. The old timers knew him well and were often recipients of penciled notes from him for, as was his habit, he often wrote on yellow note paper with green ink. He used this largely in writing his copy for the "Insurance Field" and his other literary efforts. In his earlier days he frequently appeared before insurance gatherings and was widely known as a most companionable, urbane and amiable gentleman. He had a delicious sense of humor. His editorials and sketches in the "Insurance Field" were often picked out and relished by those who were acquainted with his style.

Mr. Allison is survived by Mrs. Allison, Young E. Allison, Jr., and George S. Allison of New Orleans. He remained as president and editor of the "Insurance Field" until January, 1930, when his son, Young E., Jr., succeeded him.

Kelsey Is Doing Well

The host of friends of H. H. Kelsey, former United States manager of the London & Scottish, will be happy to learn he has so far recovered from an appendix operation as to permit removal from the hospital to his home in Montclair, N. J., within a few days.

Haas on the Firing Line

George E. Haas of Chicago, assistant secretary of the Chicago Fire & Marine department of the Lincoln Fire, who has been engaged in purely office duties, will now spend considerable time in the territory, giving primary attention to Ohio and Indiana, where he is particularly well acquainted. The department therefore will not appoint a special agent in those two states, there having been a vacancy for some time. Mr. Haas will be used on important field missions throughout the country.

Southern Minnesota Meeting

ST. PAUL, MINN., July 13.—The monthly meeting of southern Minnesota insurance agents will be held at New Ulm July 20. Representatives of the state association will attend. The annual meeting of the state association probably will be held at Rochester, Minn., in August, the definite date not yet fixed.

Death of M. T. Stith

M. T. Stith, 46 years of age, for a number of years well known in the fire and casualty field at Louisville, died Sunday following a long illness at Waverly Hills tubercular sanatorium.

Mr. Stith was a solicitor for the old insurance firm of Reutlinger & Miller and after E. J. Miller withdrew from that firm to establish his own business. Mr. Stith became a partner in Reutlinger & Stith, headed by Adolph Reut-

linger. He withdrew from that firm in 1917 and for a few months was connected with the "Insurance Field" as reporter and advertising solicitor. He left to reengage in insurance.

Death of R. L. Daniel

R. L. Daniel, chief engineer of the General Inspection Bureau at Minneapolis for the past 28 years, died at his home in St. Louis Park adjoining Minneapolis on July 9 after a brief illness. He was well known in the middlewest as an electrical and hydraulic engineer and at the time of his death was president of the Western Section International Association of Electrical Inspectors. Funeral services were held at the Scottish Rite Temple, Minneapolis, Tuesday afternoon.

Tennessee Forms Sent Out

General Counsel J. H. Doyle of the National Board has sent the companies instructions and forms for complying with the ruling of Commissioner Reece of Tennessee that companies which since June 30, 1926, have deducted premiums on ceded reinsurance in reporting their premiums to Tennessee for taxation now pay on such reinsurance premiums unless the companies to which

the reinsurance was ceded paid taxes on them. The forms sent out by the National Board are applicable to the use of fire and casualty companies.

Declares \$3 Dividend

The state of Pennsylvania has declared a semi-annual dividend of \$3 per share.

Registered Mail Policy

Under a recently perfected pooling arrangement company members of the registered mail organization are now writing a special policy protecting currency and securities under shipment by armored car or messenger. Casualty underwriters are interested in the move and are studying the contract in an effort to discover the extent, if any, to which the coverage encroaches on the preserves of the casualty offices.

C. P. Butler's New Post

C. P. Butler will retire as second deputy of the New York department to assume a responsible post in the New York department of the Indemnity Insurance Co. of North America, July 15. His connection with the insurance department began in 1928 when he was named deputy by the then superintendent,

ent, Albert Conway. His work consisted largely in holding hearings upon mooted questions affecting the conduct of the business, not the least of which was the conflict between the marine and the casualty companies regarding lines of coverage under transit covers.

Arson Sidelights

The home of Mrs. Mary C. Taylor of Poplar Bluff, Mo., caught fire on two occasions, so the Aetna, which carried a fire policy on the home, placed a guard near the property until the expiration of the policy. Mrs. Taylor, who is said to be under a bond of \$1,000 in connection with a charge of attempted arson, now is suing the Aetna for \$3,000, charging slander.

B. E. Chapin Joins Firm

B. E. Chapin has associated with the San Francisco general agency of Rathbone, King & Seeley.

Memorial for Owens

Resolutions voicing regret over the death of W. D. Owens, a former president of the Insurance Brokers Association of New York City, and tendering sympathy to his family and late business associates, were adopted by the organization at a special meeting.

You are Judged by the Companies You Keep



LOCAL AGENTS are now being judged by the companies they keep. Recent years have abruptly advanced the financial education of the public. Insurance buyers are demanding intimate details about the financial strength, operation, and reputation for fulfilling contracts of the companies in which their insurance is to be placed. And they are right in doing so.

Boston Insurance Company and Old Colony Insurance Company agents can answer such questions clearly, convincingly and fearlessly.

Our companies are financially strong—our statements show this. Located in New England—we inherit the spirit of conservatism so valuable in these days of uncertainty. We are sound financially and dependable at all times. Perhaps some look upon us as a bit old-



fashioned—a bit deliberate—yet these same qualities have enabled us to build soundly, to plan carefully and to expand safely. Our effort is based essentially on the policy that both our agents and policyholders must be satisfied.

If you feel the need of another company, one whose financial statement can stand the scrutiny of statistically minded insurance buyers—a company which is progressive—a company which writes the many coverages so necessary to an agent's welfare in these days—a company whose seasoned field men are sales slanted and keen—a company whose practical Sales

Promotion Department is eager to help agents make more money—then we have something which will interest you. Write to our New Business Department for further information. Today.

**BOSTON INSURANCE COMPANY
OLD COLONY INSURANCE COMPANY**

87 Kilby Street, Boston, Mass.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

MURPHY WITH RHODE ISLAND

Frank A. Murphy, formerly with the Atlantic marine department of the Fireman's Fund, has been named as manager of the inland marine department of the Rhode Island group.

E. M. WILD DIES

E. M. Wild, a popular insurance broker of New York City, and a golfer of note, having been champion of the Baltusrol Golf Club of Summit, N. J., for 15 consecutive years, died at his home in Cranford, N. J., July 8. He was 42 years of age and had been in the business for over 20 years.

EXAMINATION REPORT MADE

An examination of the New York City division of the New York Fire Insurance Rating Organization has been completed by the New York department. W. A. Billingham, chief of the underwriters association bureau of the New York department, was in charge of the work.

Application of various rating schedules, other than the sprinklered schedules, does not get the approval that it did in 1928. There has been an improvement in the application of the sprinklered schedule, according to the examination. Incorrect rating results in more rates being too low than too high. Greater care in making inspections and inspection reports is advocated.

Consideration is given to the gas plant schedule. The examination alleges that rates on theaters of brick construction are too high.

The sprinklered risk department is charged with continuing to ignore some of its filed rules and to substitute so-called office rules which have not been filed. The examination recommends that this practice be changed and that all rules which affect rates be filed with the insurance department so as to comply with the law.

All payments of commissions to unlicensed brokers should be reported to the New York department, according to the examination. The committee requires companies or agents to secure a refund of such commissions but the organization does not report those matters to the New York department.

The examination states that the "exchange persists in its determined and indefensible opposition to the allowance of a credit to buildings without gas con-

nections to equal the credit allowed on buildings having gas with an approved shut off valve."

The examination recommends provision for reinspection of risks previously reported as unsafe at reasonable intervals to ascertain whether conditions have been remedied.

The suggestion was made that the short rate table rule be amended for one year policies "so as to provide that the percentage factors applicable for periods not shown in the table shall be those applicable to the period nearest the actual period, thus effecting consistency between the rule for one year policies and that for longer term policies."

SEPARATION IN THE EAST

When in October, 1926, the Eastern Underwriters Association determined to enforce separation among agencies throughout the ordinary territory under its jurisdiction, it was estimated that

not more than 15 percent of the agencies were then clear. Today it is figured at least 80 percent and possibly 85 percent have elected to comply with the separation agreement. Insofar as New Jersey is concerned the record of cleared agencies is 100 percent. While separation among agencies originated in the central west, enforcement of the plan has been far more effective in the east and the south than in Western Underwriters Association territory, where application of the policy met with vigorous resistance and in certain states ran counter to the law.

LEWIS ON U. S. VISIT

General Manager Herbert Lewis of the Commercial Union at the head office is visiting in the United States.

REVISION OF BUILDING CODE

Revision of the building code for New York City, which has been under consideration by representatives of the Merchants Association and heads of the building bureau of the city for several months, has been virtually completed and final report, it is expected, will be made early in August.

AS SEEN FROM CHICAGO

RETIREES FROM ILLINOIS

The American National Fire of Columbus, O., is retiring from Illinois. It had only one agent in the state, W. S. Jacobs & Co. of Chicago, being Cook county managers. The American National Fire's liability is automatically reinsured in the Great American.

TRAGEDY IN EXCHANGE

A tragedy was enacted in the north lobby of the Insurance Exchange building at Chicago this week which practically emptied the offices for a time and brought many hundreds of curious persons to the lower floor. It was the death of a 40 year old man, not connected with insurance, who jumped from the 14th floor into the court and through the great skylight over the north lobby. The body fell through to the lower floor amid a shower of heavy glass fragments, endangering the lives of many passers-by. The man was Mark Smith, clearing house member of the Board of Trade.

MANAGER BUCK WILL SPEAK

Western Manager S. M. Buck of the Fireman's Fund at Chicago will speak

before the annual meeting of the northern peninsula local agents of Michigan at Negaunee, July 30. George B. Sedgwick, assistant western manager of the Great American, will attend the meeting. He will be in his old stamping ground as his native home is in Ishpeming, where his mother still resides.

LOSS COMMITTEE AT WORK

The committee on loss adjustments of the Western Underwriters Association, of which C. R. Street is chairman, is making progress in creating sentiment toward following a more conservative course in loss payments. Companies have vied with one another in their eagerness to pay losses immediately. This had a sales advantage for the agents. It has resulted in some claimants taking advantage of companies and at times rapid settlements have been made where subsequently important evidence came forth that would have held back the payment and probably resulted in a contest. As it is now, the companies are generally agreed that they will withhold payment for 60 days under conditions which seem to warrant it. One of the difficulties in certain sec-

tions has been the work of public adjusters. They no longer take a partial assignment of a claim which has been declared illegal but they will take the assignment of a whole claim. Under such circumstances the 60 days is being taken. The committee feels that much can be done toward reducing waste if the companies stood their ground especially in cases where they feel they may be imposed on.

FOREMAN MADE VICE-PRESIDENT

Alfred K. Foreman, who has been connected with the W. A. Alexander & Co. agency of Chicago for about a year, has been elected a vice-president of that office. Mr. Foreman was formerly an official of the Foreman National bank of Chicago, which was taken over by the First National.

The western department of the National of Hartford held an outing Saturday afternoon at the Columbian Golf Club, northwest of Chicago.

Plans Shaping Up for the Canadian Officials Meeting

R. Leighton Foster, insurance superintendent of Ontario, who is secretary of the Association of Superintendents of Insurance of the Provinces of Canada, sends out announcement of the 15th annual meeting at Winnipeg, Sept. 6-8. The headquarters will be at the Fort Garry hotel. The first day will be devoted to executive sessions of committees. The open sessions will start the second day with President Dugal presiding. There will be reports of the various committees. The last day will be given to the consideration of reports of the president, secretary and committees.

Prudential Fire's New Setup

The Prudential Fire of Oklahoma City has now reduced its capital to \$100,000 and its surplus to \$50,000, the residue after capital reduction being paid to stockholders through a committee. The liability has been reinsured in the Liverpool & London & Globe and all new business is automatically reinsured by the same company.

Death of T. L. Van Gieson

T. Lee Van Gieson, president Watsonville (Calif.) Association Insurance Agents, former chairman regional committee of that district for the California association, manager Sheehy & Cumming agency died July 11 following protracted illness.

MARSH & McLENNAN

Insurance

FIRE
CASUALTY

LIFE
MARINE

BOND
AUTOMOBILE

164 West Jackson Boulevard, CHICAGO

NEW YORK
MINNEAPOLIS
BUFFALO
BOSTON
PITTSBURGH

DETROIT
COLUMBUS
INDIANAPOLIS

MONTREAL
PHOENIX
WINNIPEG

SAN FRANCISCO
LOS ANGELES
PORTLAND
SEATTLE
VANCOUVER

CLEVELAND

LONDON

DULUTH

Truck Business Is Very Unprofitable

(CONTINUED FROM PAGE 3)

hazard from an underwriting standpoint than do trucks operating over broad, straight roadways.

Interurban trucks, in addition to weighing several tons net, carry heavy loads, many even having trailer attachments, materially increasing the accident hazard. Trailers not properly braked occasionally get out of control, particularly when running down hill, and breaking away from the hauling truck run amuck. Because of the great size of modern overland trucks, they occupy more than their fair share of the road and in seeking to pass other vehicles are sideswiped and occasionally ditched. Damage to other vehicles frequently results from trucks crossing traffic, drivers sometimes not allowing sufficient room for the swing of their machines. This is especially true in case of trailers. Traveling at 40 miles or more an hour, in all kinds of weather, when a truck crashes into another vehicle or object the impact is terrific and the damage great.

Another cause of truck accidents is trucks stalled upon the roadway. The driver seeks aid, and unless warning lights are used, oncoming cars smash into the stalled truck.

Many Claim Complications

Public liability and property damage claims against truck owners present extraordinary claim complications as many, if not the majority, of the accidents occur at night and few if any witnesses can be found other than those directly concerned. However much the pleasure car owner may have contributed to the accident, through neglect, and even in some cases if he is wholly to blame, the sympathy of juries almost invariably is with the claimant and the truck owner is mulcted for the damages, and consequently, his carrier as well.

While the idea of making the truck owner a coinsurer has been suggested by underwriters it has never been seriously entertained, the complications likely to arise in claim handling being deemed virtually insurmountable.

Although rates charged for coverages on trucks long have been felt grossly inadequate, every effort to advance them has been vigorously assailed by the owning truckmen and trucking corporations, who declared that if tariffs were increased they would be forced out of business.

That the insurance companies are losing money on the class, however, does not disturb truckmen, whose general attitude seemingly is that the companies are rich and should not quibble over loss experience.

Fire Classification Plan Is Ordered in Wisconsin Jan. 1

(CONTINUED FROM PAGE 6)

der frame construction; headings left to right, same as above.

Miscellaneous and unprotected (all classes of construction): Classes—7, miscellaneous not otherwise specified; 9, seasonal risks; 10, farm property; 12, A. S. risks. Left to right headings are, as before, business written, premiums, losses. Under totals for this group there is also provision for the sum of the totals.

Other classes of insurance: Classes 13, tornado-farm; 14, tornado, all other, and 15, sprinkler leakage; heading left to right are also business written, premiums, losses.

Miscellaneous Company Notes

The **Merchants Fire** of New York has been licensed in Canada.

The **New Haven Fire** of Kansas City, Mo., has been licensed by the Missouri department as a town mutual company.

Decision on Pearl Is Delayed in N. Y.

(CONTINUED FROM PAGE 3)

managers of British companies represented in this country have a justifiable pride in the manner in which they have held in line with the American companies in all matters looking towards the maintenance of good underwriting methods including the maintenance of tariff rates. Unless the proposed Pearl management chooses to execute a complete face about and to change radically their past methods its business in this country will be decidedly out of line with other British companies."

Broker Versus Company

Another United States manager says: "The management of foreign companies in this country by brokerage interests with few exceptions has not been successful and the reason is not hard to guess. No man can serve two masters and when it happens that a broker manager, has to make a decision where company and brokerage interests are opposed he naturally favors his firm rather than the company."

Another manager states that if the Pearl expects to write a satisfactory business in this country and to build on a permanent foundation "it will have to gain the confidence of underwriting supervisory bodies, agents associations and like organizations. It will have always to lend its aid to any movements for better conditions and continuously cultivate all practices looking for underwriting profit."

Mr. Guinness is in the hospital, having undergone a severe operation and Mrs. Guinness has just died following an operation. Stewart B. Hopps, who very recently was bereaved by the death of his wife, has been absent from his desk for some days. George C. Stevens is in his accustomed place in the offices of Cornwall & Stevens, though he states that he has resigned from the firm. His interest, it is understood, will be taken care of by his son. It is understood that Mr. Stevens disclaims responsibility for the press notice sent out regarding the Pearl plans in this country in which the assets of the Pearl were stated to be \$300,000,000 making it one of the largest British fire companies represented in this country whereas the major portion of this amount is, in reality, in the life department of the Pearl and not available for fire claims.

Statement by Stevens

"The license of the Pearl in New York state for reinsurance business also gives it the right to write direct business," says Mr. Stevens, "so this question is not involved in the present discussion with the New York department. I do not consider that there has been any undue delay in granting the licenses asked for and have no doubt whatever that they will be granted this week. I say this fully aware of the character of the attacks which have been made in opposition to our application and have no doubt that we will be ready to transact business by Aug. 1. Application will be made for entry in 35 or 40 states as soon as this matter is settled but agency appointments will be slowly made. I have nothing to say about our proposed underwriting policy except this. Some of those attacking us will be surprised."

From other sources it is understood that the various brokerage firms mentioned as allied with the firm of Cornwall & Stevens will have Pearl commissions with nationwide binding authority. It is understood that several other prominent brokerage firms have been asked to join the alliance but have declined.

Cornwall & Stevens in the past have specialized in cotton press and cotton gin business but have enlarged their business with fertilizer factory business and chain store lines including the Walk

Over Shoe Company. It is understood that their firm was the source of much business for the National Union when Mr. Guinness was a vice-president.

W. G. Ayers Leaves National Union in Farm Department

W. G. Ayers has resigned as superintendent of the farm department of the National Union Fire, effective Aug. 1, owing to the discontinuance of that department. Mr. Ayers has been with the National Union for the past four years and is well known in underwriting circles, having previously been associated with the Aetna Fire, Home, and the Continental. Prior to embarking in farm underwriting, he was special agent for the Pennsylvania Fire, handling recording business in Illinois. He anticipates again taking up field work after a short vacation.

New Florida Book Is Out

Florida is famed for its citrus fruit, great winter resorts, magnificent beaches and its varied kinds of succulent eatables. In addition it is an insurance state of distinction. This is brought to light by the new Underwriters Hand-

book of Florida issued by THE NATIONAL UNDERWRITER, which covers all phases of insurance in the state, giving company information, lines fire companies write, statistics on Florida business, list of Florida field men and then the insurance directory of each city and town in the state. It is a valuable reference work and puts Florida in a high class insurance-wise.

Universal of New Jersey Not Quitting on the Coast

The Universal of New Jersey states that the report it is preparing to cease operations on the Pacific Coast is erroneous. There is no foundation for the statement, according to the Universal.

The fire operations of the Universal have recently gone under the management of the American of Newark group. Marine and automobile activities remain with Talbot Bird & Co.

Officers and directors of the Northwestern National and the Northwestern National Casualty were reelected at the annual meetings of the boards held at the home offices in Milwaukee. Charles D. James has been added to the board as successor to the late William D. Van Dyke.



THIS SIGN HAS STOOD FOR STRENGTH, SOLIDITY
AND SQUARE DEALING SINCE 1710

SUN INSURANCE OFFICE, LTD.

OF LONDON

Oldest in the World Founded 1710

Sun Underwriters Insurance Company of New York
Patriotic Insurance Company of America
Sun Indemnity Company of New York

FIRE
LIGHTNING
WINDSTORM
AUTOMOBILE
EXPLOSION
RIOT & CIVIL COMMOTION
USE & OCCUPANCY
RENTS & RENTAL VALUE
LEASEHOLD
INLAND MARINE
OCEAN MARINE

TOURIST FLOATER
SALESMEN'S FLOATER
YACHT AND MOTOR BOAT
ALL RISK PERSONAL
JEWELRY
ALL RISK PERSONAL FURS
ALL RISK TOURIST FLOATERS
JEWELERS BLOCK POLICIES
PUBLIC LIABILITY
MERCHANDISE IN TRANSIT
via Truck, Rail or Steamer
(Annual or Trip Policies)

HEAD OFFICE: 55 Fifth Ave., New York
O. Tregaskis, Manager, Eastern Department

WESTERN DEPARTMENT
Wrigley Building, Chicago
John F. Stafford, Manager

MARINE DEPARTMENT
11 South William St., New York
Wm. H. McGee & Co., Inc., Gen. Agt.

PACIFIC COAST DEPARTMENT
San Francisco, Cal.
Carl A. Henry, General Agent

SUN INDEMNITY COMPANY
55 Fifth Ave., New York
F. I. P. Callos, President

THE NATIONAL UNDERWRITER

Published every Thursday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati, and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; HOWARD J. BURRIDGE, Vice-President and General Manager; W. A. SCANLON, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers

C. M. CARTWRIGHT, Managing Editor
LEVERING CARTWRIGHT, Asst. Managing Editor
FRANK A. POST, Associate Editor
CHARLES D. SPENCER, Associate Editor
DALE R. SCHILLING, Associate Editor

PUBLICATION OFFICE, 1946 Insurance Exchange, CHICAGO. Telephone Wabash 2704
CINCINNATI OFFICE, 420 E. Fourth St., Tel. Parkway 2140. RALPH E. RICHMAN, Manager
ABNER THORP, JR., Director Life Insurance Service Dept.

NEW YORK OFFICE
803-123 William St., Tel. Beekman 3-3958

EDITORIAL DEPT.
GEORGE A. WATSON, Associate Editor
R. B. MITCHELL, Assistant Editor

BUSINESS DEPT.
NORA VINCENT PAUL, Vice-President
W. J. SMYTH, Resident Manager
ALBERT S. CUTLER, Manager Industrial Dept.

NEW ENGLAND OFFICE—BOSTON
225-80 Federal St., Tel. Hubbard 3335
J. M. DEMPSEY, Resident Manager

DALLAS OFFICE: 905 Southwestern Life Bldg, Tel. 2-6065; R. J. McGEHEAN, Resident Manager

Entered as Second-class Matter April 28, 1928, at Post Office at Chicago, Ill., Under Act, March 3, 1879

Subscription Price \$4.00 a year; in Canada, \$5.00 a year. Single Copies 20 cents.
In Combination with Life Insurance Edition, \$5.50 a year; Canada \$10.50



A Bright Spot on the Horizon

THERE is a bright spot on the horizon and if it continues to grow there will be a better feeling throughout the country. It all relates to the increase in price of hogs and cattle. Evidently there is a scarcity of animals. It is estimated by an authority that in the five great agricultural states of the middle west the added value of hogs alone is \$293,000,-

000. The value is fixed on the registration of herds in these states. The farmers are getting good prices for cattle and hogs. Corn selling at 25 cents can be raised to advantage at the present prices of hogs if it is fed to them. The farmers deserve a break. Everybody will rejoice that there is this tinge of blue on a stormy horizon.

Keeping Morale with Accident Insurance

WILL present business conditions bring the multiple line insurance agency to more active solicitation of accident insurance? Many observers believe that it will. Already, many of these multiple line agencies are recognizing that accident insurance offers the best means for obtaining ready cash, particularly in the writing of new business. Sixty to 75 percent of the working population is still at work and recognizes more clearly than ever today the desirability of income protection and it is amazing to find that thousands of people have not yet been approached by an accident insurance salesman.

Any agency manager today, however, who expects his agents to make a successful bid for accident insurance premiums must prepare them specifically and definitely for the job. Nothing is

handed to a salesman today. He must be thoroughly prepared not only to demonstrate that what he has to sell will solve some problem of his prospect in a more satisfactory way than any other plan but he must be prepared also to explain how his contract will actually meet the buyer's requirements. All this means that some agency instruction and training must be given or the whole accident effort will fail.

Agencies which have not undertaken any direct efforts at instruction and training of solicitors and agents will find this step essential today if agency building and morale is to be maintained. The best opportunity for immediate return from instruction and training work today lies in the field of accident insurance. Serious cultivation of the line will serve to maintain morale today.

Overcome by Stagnation

MOST of us perhaps are waiting for better times and for some evidence of incoming prosperity before we really get down to hard licks and endeavor to work out our own salvation. There will not be an upturn in business until people get in a more confident frame of mind. Perhaps a person may not be able to do the same

things he has in the past but surely there is some sort of work waiting him somewhere. We take it for granted that stagnation has overcome us and there we stop.

"Nothing gets done by thinking about it. We must go about doing it. Then something will be done."

PERSONAL SIDE OF BUSINESS

John B. Gay, local agent at Portage, Wis., has been selected as regular Republican candidate for Congress in the second Wisconsin district.

Loyal Durand, Milwaukee local agent and a school board director for 12 years, has been elected president of the Milwaukee school board. This is the fourth time he has served as president of the board, the last time being seven years ago. Mr. Durand has been interested in education the major part of his life. He was formerly a regent of the University of Wisconsin and a director of the alumni association for ten years, and is now a member of the university board of visitors.

Mrs. J. F. Guinness, wife of the former vice-president of the National Union Fire, who recently became manager of the Pearl in the United States office, died following an operation.

C. R. Gove, manager St. Paul Mutual and one of the best known insurance men in Minnesota, is receiving a good deal of publicity because of his resemblance to Gov. Franklin D. Roosevelt, the Democratic nominee. One of the Twin City newspapers featured a picture of Mr. Gove alongside of Gov. Roosevelt.

Charles Dutreaux, chief accountant for the Great American and Phoenix of Hartford, known to the insurance fraternity of San Francisco as "Dewey" has returned to his office following a serious illness during which he was confined to the naval hospital at Mare Island. Mr. Dutreaux served with Admiral Dewey as an officer on the flagship "Olympia" during the Battle of Manila Bay and is widely known for his achievements at that time.

Commissioner Lee Herdman of Nebraska, who has been in a hospital in Omaha for three weeks resting up in order to ease a heart attack, is improving rapidly, with blood pressure lowered and nearing normal. He expects to be on duty before the end of the month.

An oil portrait of Arthur E. Linnell, first deputy commissioner was hung in the Massachusetts insurance department last week over the desk he has occupied for 40 years. Mr. Linnell retires from the department this week, having reached the retirement age limit of 70 years.

R. M. Anderson, vice-president National of Hartford, who has been on a vacation at Irvington, Va. for the past month with Mrs. Anderson, returned to Hartford this week, greatly refreshed by his outing.

Raymond W. Seaman, age 40, member of Seaman & Osgood, Denver general agents, died last week, following an illness of six months. He formerly was with the J. R. Gardner General Agency.

At the convention of Rotary International in Seattle, Wash., Clinton P. Anderson, prominent local agent of Albuquerque, N. M. was elected president.

Dr. Delevan F. Bentley, vice-president Niagara Falls Fire office, Niagara Falls, N. Y., was presented with a bronze plaque by his business associates on the occasion of reaching his 28th anniversary of continuous service.

J. Pinkerton, manager and secretary of the Provident Accident & White Cross of London, affiliate of the Northern Assurance, sailed from New York for home July 9, after spending a month visiting the company's chief Canadian

representative, and a short time with United States manager, R. P. Barbour.

Funeral services were held Tuesday for Samuel G. Kennedy, veteran St. Louis local agent, who died at his home Sunday. He was 83 years old and had been ill for more than a year.

Mr. Kennedy started his insurance career in 1865 when he joined the old Union Insurance Company of St. Louis. He remained with that firm until 1873, when it retired from business. The same year he was made secretary of the Marine Insurance Company of St. Louis. That company quit business in 1891 and he directed the liquidation of its affairs. In 1892 he organized his own insurance agency.

C. R. (Cy) Barger, the former big league pitcher, now in the insurance business at Columbia, Ky., is authority for one of the best fish stories of the season. He claims to have been in swimming in Green River, while wearing one of these new fangled backless bathing suits, when a large bass struck a red mole on his back, resulted in a sore spot that remained with Cy for several days.

Charles P. Hall, state agent of the Monarch Fire in Wisconsin, is the father of Charles Potter Hall, Jr., who arrived July 7.

Mrs. H. G. Buswell, wife of the former Chicago and Cook county manager of the Home of New York fleet, who was visiting her daughter, the wife of Dr. Barker, who is on the Mayo Brothers' staff at Rochester, Minn., was found dead in bed Monday morning. The Buswell home is in Evanston, Ill. Mr. Buswell was playing golf Monday morning with W. A. Chapman, former western manager of the Fireman's Fund when the news was conveyed to him at the golf club.

J. W. Kerr, 63 years of age, of the Kerr Insurance Agency, Campbellsville, Ky., died last week of a combination of heart trouble and pneumonia. His brother, S. E. Kerr is head of the agency.

INSURANCE STOCK QUOTATIONS

By H. W. Cornelius, Bacon, Whipple & Co., 112 W. Adams St., Chicago
As of July 11

Stock	Par	Div. Per Share	Bid	Asked
Aetna Cas.	10	1.60	15	17
Aetna Fire	10	2.00	14	16
Aetna Life	10	...	8	10
American, N. J.	2.50	.80	5	6
Amer. Surety	25	...	7	8
Automobile, Conn.	10	1.00	6	8
Baltimore Amer.	2.50	.40	1	2
Boston	100	16.00	200	215
Continental Cas.	5	...	5	6
Continental Ins.	2.50	1.20	9	10
Fidel.-Phenix	2.50	1.20	8	9
Fire Assn.	10	1.60	3 1/2	4 1/2
Fireman's Fund.	25	5.00	25	26
Fireman's F. Ind.	12	asked
Firemen's	5	1.20	4	5
Globe & Rut.	25	...	35	39
Great Amer. Ind.	1	...	2	5
Hanover	10	1.60	13	15
Harmonia	10	1.80	5	6
Hartford Fire	10	2.00	19	20
Home, N. Y.	5	1.00	8 1/4	9 1/4
Ins. Co. of N. A.	10	2.44	20	22
National Cas.	10	1.20	4 1/2	5 1/2
National Fire	10	2.00	18	20
National Liberty	2	.40	1 3/4	2 1/4
National Surety	10	...	5	6 1/2
National Union.	20	...	10	12
N. W. National.	25	5.00	50	55
Phoenix, Conn.	10	2.00	23	25
Prov. Wash.	10	1.80	9	11
Public Fire	5	...	1	2
Public Indemnity	5	...	1	1 1/2
Sun Life	100	15.00	130	140
Springfield F. & M.	25	4.50	37	46
St. Paul F. & M.	25	6.00	70	73
Travelers	100	16.00	170	180
U. S. Fire	4	2.00	7	9
U. S. F. & G.	2	...	3	4

*Ex. Div.



A Treasure, Found By A Camden Folder ... A Lead, Opened For A Camden Agent

There are valuable insurable things in almost every home, but their owner never thinks of complete insurance until someone suggests it. Therefore the Camden agent mails these strikingly attractive Fine Arts folders *and follows them up*. Then when he calls, the prospect is already thinking about his own treasures—a sale has already been made possible.

● This Fine Arts folder is one of a great many which have been prepared for Camden Agents—

enough to make a whole year's advertising. For Camden and Camden's agents both know that insurance is a necessity which is never bought—it is sold! And behind every sales effort stands a generous policy, a staunch company, and ninety-one years of underwriting honesty.

Would you like to see this Fine Arts folder? It is yours—ask for it.

Would you like to represent this company? Ask about that, too!

Would you like to see this Fine Arts folder? It is yours—ask for it.



CAMDEN FIRE INSURANCE ASSOCIATION

Camden, N. J.

Camden Has Gladly Met Every Legitimate Obligation for Over Ninety-One Years

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

Liability for Gas Explosion

Question Arises as to Subrogation Right Where Settlement Has Already Been Made

The United States circuit court of appeals of the 6th district in Ohio in Harter vs. American Eagle brings up the question of liability of a fire company for the explosion of leaking gas. The plaintiff looked for escaping gas with a lighted match and an explosion followed. The fire destroyed his house and the contents. The American Eagle had \$5,000 on the house. The assured notified the agent, who claims to have been told by him that there was nothing for him to do or sign, that his claim would be paid but that he should first settle with the East Ohio Gas Company, it being responsible for the escaping gas.

Offers Better Settlement

The plaintiff claims that the agent told him he could obtain a better settlement from the gas company than the insurance company. The assured presented a claim to the gas company for damages including loss to house, household goods, personal injuries and loss of salary. The gas company paid \$32,000, taking a full release. After the settlement the assured brought suit on his fire policy against the American Eagle in the state court. It was moved to the federal court where judgment on a directed verdict was entered against him. He made the appeal. The defense was based on payment of a loss suffered by the person primarily liable and upon destruction of the company's right to subrogate by the assured's execution of the release to the gas company for all damages growing out of the explosion. In answer the assured contends that there was no settlement of the fire loss with the gas company, that the local agent waived the subrogation clause and that in any event the defendant is estopped by the representations of its agent from denying liability.

The federal court holds that the company possessed the right to subrogation to the extent of its liability not only under its contract but upon equitable principles. It is also settled that a release given by the assured to a tortfeasor, who is primarily liable for the injury destroys the insurance company's right of subrogation, and is a bar to recovery on the policy. The court holds that the agent could not waive the subrogation clause at all. The judgment for the company is affirmed.

Marietta, O., Gets Convention

Ohio Association of Insurance Agents Will Hold Its Next Annual Meeting August 11-12

The Ohio Association of Insurance Agents will hold its annual convention at Marietta the week of Aug. 8. The official sessions will be Aug. 11-12 with headquarters at the Hotel Lafayette. W. J. Kountz of Toledo is president and C. C. Rudibaugh of Youngstown, vice-president. The executive committee consists of H. L. Meek, Columbus; W. E. Flickinger, Cleveland; E. J. Bundenthal, Dayton; F. P. O'Connor, Lima, and J. E. Greenwood of Warren. The program is in charge of Secretary W. H. Tomlinson.

Proposition to Solicitors

Agent C. O. Ransom of Cleveland Shows How Money Is Lost in Small Premiums

C. O. Ransom, well known local agent at Cleveland, realizes that most agencies handle a considerable part of their business from brokers and solicitors at a loss, but probably do not appreciate that they are losing money. Mr. Ransom sent a letter to all the solicitors in his agency as follows:

"The cost of writing a policy, figuring rent, wages, stationery, and other necessary items, is such that, if the premium is less than \$20 we actually have paid out more in commission and expense than we have taken in. We believe you are in this business to make an income out of it. We think you will agree that we are also in the business for the same purpose. We cannot make an income when we pay you the usual rate of commission on a premium of less than \$20. The question then arises as to what is the fair thing to do.

"We suggest that you agree with us that when a premium is \$20 or more, you are to receive the regular rate of commission; that where it is between \$15 and \$19.99 you accept 5 percent less; and when less than \$15 you accept 10 percent less. This will enable us to break even in handling your business. In the interests of good sportsmanship and fairness are you willing to do this?

"May I call your attention to the subject of collections. Getting the money is a serious problem these days and in order that you will have had at least something for your efforts in the event that you are unable to collect in 60 days, I suggest that you take a cash payment of 20 percent or more, of the premium with each order. You will save yourself a lot of losses by following this plan."

William Stredelman's Anniversary

William Stredelman, Cincinnati, was the surprised victim of a 75th birthday anniversary luncheon on Monday of this week. A number of friends and members of his family gathered to make up the party. Among those present was Mr. Stredelman's son, Will, assistant manager of the Arkansas Fire Prevention Bureau of Little Rock.

George Graham on Honeymoon

G. W. Graham, state agent in southern Ohio for the New York Underwriters, is now on an eastern honeymoon

trip with his bride, who was Miss Gretchen Schurig. He will be back in his Ohio territory next week.

Name Blue Goose Chairmen

Martin Vold, Jr., newly elected most loyal gander of the Ohio Blue Goose, has named the following committee chairmen: Social, R. E. Zimmerman; membership, Melvin Barclay; ritual, William J. Gilsdorf; speakers and luncheon, H. H. Chittenden; sick, Bernard F. Flood; invitation, H. S. Lowensohn; memorial, John G. Gray; group insurance, Arthur Lohmeyer.

Field Men's Committees Named

Earl A. Reid, new president Ohio Fire Underwriters Association, has appointed the following committeemen: Clearance—H. D. Smith, chairman; W. L. Cowan, Howard I. Smith; rules—C. H. Garbutt, chairman; D. E. Gallagher, G. H. Thomas, Thomas O. Dye, Homer L. Rubrecht; entertainment—Dewey F. Durnford, chairman; Geo. W. Graham, Jr., L. E. Kietzman, Virgil W. Souder; Quarters for meetings—John H. Gray, chairman.

Phypers Has Northern Section

Paul G. Phypers, who has opened offices at 210 The Arcade in Cleveland, as manager of the United States Life, has charge of the northern part of the state. For five years he was with the Neale-Phypers Company in that city as an agent.

Ohio Fire Marshal's Report

The Ohio state fire marshal's department for the first six months shows 697 investigations, 46 convictions, 14 confessions, 66 arrests, 38 bound over, 66 indicted, 28 acquittals, seven disagreements. The number of indictments pending July 1 was 18.

Dorger Is Made President

A. G. Dorger of Cincinnati, state agent of the Firemen's group, has been elected president of the Ohio Insurance Club. John Thomson of Columbus, special agent Millers National, is secretary.

Ohio Notes

The Walz-Flaherty Insurance Agency of Cleveland has been incorporated by H. B. Walz and A. P. Wingle.

A daughter has been born to H. L. Newton, Monarch state agent at Columbus.

The Fire Prevention Association of Ohio is preparing for an inspection at Norwood, Oct. 6. Inspections also will be held this fall at Canton and Morrow.

intended to have covered and which the agent for the insurer believed to be covered in the policy. The case was Wilson, et al, vs. Livingston County Mutual Fire.

C. L. Wilson was one of the operators of a large dairy farm. He consulted Secretary Borden of the Livingston County Mutual Fire about insurance. Borden got another company to carry insurance on the large dairy barn and the Livingston County Mutual insured the smaller buildings and contents and the personal property. The procuring of the insurance, in accordance with the agreement, was left to Borden, who handled the entire matter and intended to insure the personal property, and until a loss occurred, thought he had done so. Borden admits the \$10,000 item on personal property was intended to be a blanket item, covering all personal property on the premises. The policy, however, covered personal property in the buildings only, insured by the Livingston County Mutual. The personal property in the big barn, which was covered by another company, was not covered by the precise language of the policy.

The supreme court held that Wilson has sustained the burden of proof on the proposition of establishing a mutual mistake and is entitled to release. Borden was agent of the Livingston County Mutual. Nothing was concealed from him. There is no claim of overinsurance. He intended to cover the property in controversy. He charged for and collected the premium on the coverage.

Mortgagee Can't Collect

The United States district court at Peoria, Ill., in deciding for the Firemen's of Newark, enunciated the principle that the mortgagee is liable for acts committed by the mortgagor prior to the issuance of the insurance contract.

The mortgagee was the Peoria Loan & Homestead Association, which brought suit jointly with Effie Picton, the mortgagor, whose residence was destroyed by fire in 1930. The Firemen's refused to pay the claim on the ground that Effie Picton when the policy was issued was not the sole owner and that fraud and misrepresentation had been committed.

Short Course for Firemen

Starting Wednesday of next week and continuing three days, a firemen's short course will be conducted at Munising, Mich., in connection with the annual convention of the Upper Peninsula Firemen's Association. The features will be under the direction of the Michigan School of Mines. Included among those appearing on the program are the following: Wm. S. Rathbun, engineer, National Board; J. W. Just, fire department instructor, Michigan and Illinois Inspection Bureaus; R. E. Vernor, manager, fire prevention department Western Actuarial Bureau, and H. K. Rogers, engineer of the Western Actuarial Bureau's fire prevention department.

Michigan Notes

The R. E. Paris Agency, 1761 Union Guardian building, Detroit, has been incorporated by B. W. Paris and R. E. Paris.

Oswald Deschaine of L'Anse, Mich., has purchased the Baraga County National Bank agency. Mr. Deschaine entered the business in 1911 as an agent of the Aetna Life. Later he took on the Aetna Casualty and then fire companies. In 1926 he purchased the agency of O. H. Sengebusch and later the Jean Campbell agency.

The First National Underwriters, has been incorporated at Iron River, Mich. by C. E. Lawrence, Caspian; F. J. Smith, and Ira Odgers, Crystal Falls.

CENTRAL WESTERN STATES

Brighter Outlook in Michigan

Field Men Note Improvement in Collections and Halt in Premium Decline

LANSING, MICH., July 13.—That the bottom of the depression may have been reached, so far as the fire insurance business in Michigan is concerned, is the belief of some of the representative field men. A slight but noticeable improvement in conditions is being noted with the agency forces less demoralized than a few months ago, a stricter collection policy being enforced with the result of prompter payment of

balances, and with decline in volume apparently halted. The loss situation, it is admitted, is materially improved so far as the territory in which the stock companies have the bulk of their business is concerned. There is also a tendency, perhaps immaterial from the standpoint of the companies but important to the agents, toward placing of business locally by chain organizations.

Mutual Mistake Is Proved; Court Says Insurer Liable

The Michigan supreme court has allowed reformation of a policy to cover personal property, which the insured

LOYALTY GROUP

JANUARY 1, 1932 STATEMENTS

FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

NEAL BASSETT, President
 JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V.-Pres. W. W. POTTER, 2d Vice Pres.
 WALTER J. SCHMIDT, 2d V.-Pres. T. LEE TRIMBLE, 2d V.-Pres. OLIN BROOKS, 2d V.-Pres.

CAPITAL **\$18,795,380.00** **ORGANIZED 1888** **SURPLUS TO POLICYHOLDERS \$32,306,202.99**

THE GIRARD FIRE AND MARINE INSURANCE COMPANY

NEAL BASSETT, Chairman of Board
 JOHN R. COONEY, Vice-Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V.-Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V.-Pres. T. LEE TRIMBLE, 2d V.-Pres. OLIN BROOKS, 2d V.-Pres.

\$ 1,000,000.00 **ORGANIZED 1883** **\$ 2,034,545.17**

THE MECHANICS INSURANCE COMPANY OF PHILADELPHIA

NEAL BASSETT, President
 JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice-Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 W. E. WOLLAEGER, Vice Pres. HERMAN AMBOS, Vice-Pres. E. G. POTTER, 2d V.-Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V.-Pres. T. LEE TRIMBLE, 2d V.-Pres. OLIN BROOKS, 2d V.-Pres.

\$ 600,000.00 **ORGANIZED 1884** **\$ 1,226,248.02**

NATIONAL BEN FRANKLIN FIRE INSURANCE CO. OF PITTSBURGH, PA.

NEAL BASSETT, President
 JOHN R. COONEY, Vice-Pres. ARCHIBALD KEMP, Vice-Pres. HERBERT A. CLARK, Vice-Pres. H. R. M. SMITH, Vice-Pres.
 W. E. WOLLAEGER, Vice-Pres. HERMAN AMBOS, Vice-Pres. E. G. POTTER, 2d V.-Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V.-Pres. T. LEE TRIMBLE, 2d V.-Pres. OLIN BROOKS, 2d V.-Pres.

\$ 1,000,000.00 **ORGANIZED 1886** **\$ 1,563,520.84**

SUPERIOR FIRE INSURANCE COMPANY

NEAL BASSETT, Chairman of Board
 JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice-Pres. HERBERT A. CLARK, Vice-Pres. H. R. M. SMITH, Vice-Pres.
 W. E. WOLLAEGER, Vice-Pres. HERMAN AMBOS, Vice-Pres. E. G. POTTER, 2d V.-Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V.-Pres. T. LEE TRIMBLE, 2d V.-Pres. OLIN BROOKS, 2d V.-Pres.

\$ 1,000,000.00 **ORGANIZED 1871** **\$ 1,603,338.23**

THE CONCORDIA FIRE INSURANCE COMPANY OF MILWAUKEE

NEAL BASSETT, Chairman of Board
 W. E. WOLLAEGER, President JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 M. R. M. SMITH, Vice Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V.-Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V.-Pres. T. LEE TRIMBLE, 2d V.-Pres. OLIN BROOKS, 2d V.-Pres.

\$ 1,000,000.00 **ORGANIZED 1878** **\$ 1,751,660.54**

THE CAPITAL FIRE INSURANCE COMPANY

NEAL BASSETT, Vice President
 CHARLES L. JACKMAN, President JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 W. E. WOLLAEGER, Vice-Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V.-Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V.-Pres. T. LEE TRIMBLE, 2d V.-Pres. OLIN BROOKS, 2d V.-Pres.

\$ 300,000.00 **ORGANIZED 1888** **\$ 511,958.09**

UNDERWRITERS FIRE INSURANCE CO. OF CONCORD, N. H.

NEAL BASSETT, Vice President
 CHARLES L. JACKMAN, President JOHN R. COONEY, Vice Pres. ARCHIBALD KEMP, Vice Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 W. E. WOLLAEGER, Vice-Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V.-Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V.-Pres. T. LEE TRIMBLE, 2d V.-Pres. OLIN BROOKS, 2d V.-Pres.

\$ 100,000.00 **ORGANIZED 1888** **\$ 137,264.60**

MILWAUKEE MECHANICS' INSURANCE COMPANY

NEAL BASSETT, Chairman of Board
 JOHN R. COONEY, Vice-Pres. ARCHIBALD KEMP, Vice-Pres. HERBERT A. CLARK, Vice Pres. H. R. M. SMITH, Vice Pres.
 W. E. WOLLAEGER, Vice-Pres. HERMAN AMBOS, Vice Pres. E. G. POTTER, 2d V.-Pres. W. W. POTTER, 2d V. Pres.
 WALTER J. SCHMIDT, 2d V.-Pres. T. LEE TRIMBLE, 2d V.-Pres. OLIN BROOKS, 2d V.-Pres.

\$ 2,000,000.00 **ORGANIZED 1883** **\$ 4,967,756.04**

THE METROPOLITAN CASUALTY INSURANCE COMPANY OF NEW YORK

NEAL BASSETT, Chairman of Board
 M. S. LANDERS, President J. C. HEYER, Vice President WINANT VAN WINKLE, Vice President JOHN R. COONEY, Vice President
 E. G. POTTER, 2d Vice Pres. E. R. HUNT, 3rd Vice Pres't S. K. McCURE, 3d Vice Pres. T. A. SMITH, Jr., 3rd Vice Pres. F. J. ROAN, 3rd Vice Pres.

\$ 1,000,000.00 **ORGANIZED 1874** **\$ 2,009,866.67**

COMMERCIAL CASUALTY INSURANCE COMPANY

NEAL BASSETT, Chairman of Board
 M. S. LANDERS, President WINANT VAN WINKLE, Vice President J. C. HEYER, Vice President JOHN R. COONEY, Vice-President
 E. G. POTTER, 2d Vice Pres. T. A. SMITH, 3rd Vice Pres. FRANK J. ROAN, 3rd Vice Pres. E. R. HUNT, 3rd Vice Pres. S. K. McCURE, 3rd Vice Pres.

\$ 1,000,000.00 **ORGANIZED 1908** **\$ 1,814,648.30**

WESTERN DEPARTMENT
 844 Rush Street, Chicago, Illinois
 HERBERT A. CLARK, Vice President
 H. R. M. SMITH, Vice President
 JAMES SMITH, Secretary

CANADIAN DEPARTMENT
 461-467 Bay St., Toronto, Canada
 MASSIE & RENWICK, Ltd., Managers

EASTERN DEPARTMENT
 10 Park Place
 NEWARK, NEW JERSEY

PACIFIC DEPARTMENT
 220 Bush Street,
 San Francisco, California
 W. W. & E. G. POTTER, 2nd Vice Presidents
 F. E. BRISBINE, Res. Vice President
 FRED W. SULLIVAN, Secretary

SOUTH-WESTERN DEPARTMENT
 912 Commerce St., Dallas, Texas
 OLIN BROOKS, 2d Vice President
 BEN LEE BOYNTON, Res. Vice President
 A. C. MEERER, Secretary

LOYAL TO PRINCIPLE -- TO LOYAL AGENTS, LOYAL

STATES OF THE NORTHWEST

Argue Renewals Ownership

Commissioner Mortensen of Wisconsin Hears Complaint in Which M. A. Freedy Is Interested

How far an insurance agency is protected from competition from other agencies in renewal business was an issue in a hearing before Commissioner Mortensen of Wisconsin. The hearing was on complaint filed against Mrs. M. E. Nelson, former saleswoman for the H. B. Hobbins agency, asking that she be restrained from attempting to divert renewals on insurance formerly sold through the Hobbins agency from the Commercial Agency, of which S. L. Goldstein and L. D. Lindstrom are officials.

Substance of Complaint

The Commercial Agency and M. A. Freedy, former insurance commissioner, who also is interested in transfer of the business from the Hobbins to the Commercial agency, through James H. Wegener, counsel, claimed that Mrs. Nelson, who is now connected with another agency, was soliciting business she knew expired because of her connection with the Hobbins agency and that companies in that agency had a prior lien on the business because of sums due them on past business for premiums.

The commissioner did not rule on the question but intimated he did not know how any rival agency could be prevented from competing for the business.

Expect Ruling in August on Malfeasance Charges

Gov. Olson of Minnesota is expected to make his decision sometime in August on the demand of Z. H. Austin that he dismiss Commissioner Brown. Taking testimony before a referee was completed July 7. The transcript is voluminous. Commissioner Brown was charged with inefficiency, neglect of duty, malfeasance and nonfeasance by Austin, former president North American Life & Casualty of Minneapolis, but denied all the charges and acted as his own attorney at the hearing. Much of the testimony had to do with transactions in the insurance department prior to Mr. Brown's incumbency.

One point brought out was that the state commerce department of which the commissioner is a member made a ruling that insurance companies which issue preferred stock could not operate in the state. Mr. Austin called this ruling arbitrary and Mr. Brown admitted

there was nothing in the state laws to prohibit such a company from doing business in Minnesota.

Wisconsin Insurance Club Plan

The Wisconsin Insurance Club has decided to hold its monthly meetings the third Monday of each month and combine them with a luncheon. The first meeting will be held July 18 at the Phister.

Twister Near Sioux Falls

SIOUX FALLS, S. D., July 13.—One person was killed, 11 injured and considerable property damage was sustained in a tornado that struck near here last Saturday afternoon. The twister formed southwest of Sioux Falls, headed straight for the city, but swerved and struck a summer camp just outside the city limits, and there killed one person and injured eleven. The Sioux Falls airport was in its trail and the hangars were damaged. A dance hall

was destroyed. Three or four farms were struck and buildings and stock were destroyed.

In Agency Work 30 Years

Carl Schwarz, who has conducted a local agency at Richfield, Wis., for 30 years, representing the Fidelity-Phenix, celebrated his 71st birthday July 6. Previous to his going into insurance, Mr. Schwarz did editorial work for a number of newspapers in east central Wisconsin. Several years ago he received a gold service medal from the Fidelity-Phenix.

Wisconsin Notes

The National Board is making an inspection of La Crosse, Wis.

Mrs. Martha C. Atwood, wife of Earl L. Atwood, well known local agent at Oshkosh, Wis., died at her home at the age of 51.

Meigs & Cope, Milwaukee, has been incorporated by Henry Meigs, Arthur B. Cope and James G. Meigs.

August E. Andres, 45, who conducted a local agency at Manitowoc, Wis., for many years, died from heart disease after six weeks illness.

IN THE MISSOURI VALLEY

Nebraska Committees Named

J. B. Hillers Is Appointed Chairman of the Executive Committee of the Agents Association

President P. W. Downs of the Nebraska Association of Insurance Agents announces the members of the executive committee: J. B. Hillers, Hillers Agency of Hastings, chairman; Arthur Baldwin, Baldwin-Peterson Co., Fremont; Ralph Dominy, Dominy-Steele, Hastings; Allan Tukey, Allan A. Tukey Co., Omaha; J. A. Isaman, Aurora; Fred Grothe, Lincoln; Paul Houston, Dill-Houston-Wenger Co., Grand Island.

Those appointed on the membership committee are C. J. Flowers of Grand Island, chairman; J. H. Guthrie, Alliance; Dick McLean, Fairbury; Phil Hockenberger, Columbus; W. J. Rassmussen, North Platte. Roscoe Alexander was reappointed national councilor.

The first meeting of the new executive committee was held at Omaha on June 28. The meeting was an enthusiastic one with membership as an important part of the discussion. At the present time the membership is 25 below quota.

Harold East, recently appointed special agent in Kansas for the McKnight general agency of Enid, Okla., now has his office in the Insurance Building, 701 Jackson street, Topeka.

Plans for Meeting in Kansas

State Association of Local Agents Will Hold Its Convention Oct. 13-14 at Salina

At a recent meeting held of the executive committee of the Kansas Association of Insurance Agents at Marion, Kan., the tentative dates for the annual meeting were set for Oct. 13-14. The meeting will be held this year at Salina, Kan. Harold Cravens, who is a member of the executive committee will be chairman of the convention committee. The first day will be devoted to business sessions and the next morning will also consist of a business meeting. The afternoon of the second day will be devoted to a golf match. It is hoped that Rosse Case, president of the state association, will be improved in health so that he will be able to attend the convention and preside at the meetings. He has improved considerably since being confined to his home some time ago.

Salina has a very active local board and it is expected that through its efforts a very good meeting will result.

No Bonds for Premiums

ST. LOUIS, July 13.—The Missouri supreme court has upheld Superintendent Thompson and the Cole county circuit court in their refusal to comply

with the demands of the North British & Mercantile, which sought to compel the superintendent to require "good and sufficient surety bonds" from banks in which premiums impounded in the latest Missouri insurance rate case litigation are deposited. Superintendent Thompson acting under an order of the Cole county circuit court has been permitting the depository banks to pledge certain of their assets, including Liberty bonds, as security for the insurance premiums funds rather than requiring the banks to furnish depository bonds.

Opposes Commission Cut

Commissioner Clark of Iowa plans to take up the cudgel against reduction of farm commissions, as proposed by companies belonging to the Farm Underwriters Association. He has not announced what steps he contemplates taking to combat the reduction, but it is understood he will actively support the agents' side of the controversy.

Iowa Losses Reduced

DES MOINES, July 13.—Fire losses in Iowa during the first six months of the current year were \$1,667,000 less than corresponding period in 1931, according to John W. Strohm, state fire marshal, who reported 1932 losses, to July 1, of \$3,514,863.

Golf Tournament Starts July 30

The annual golf tournament of the St. Louis Blue Goose will be held at the Hillcrest Country Club near St. Louis, beginning with July 30. Entries will be received until July 23 by the committee, headed by Tilford Webster as chairman. The tournament will be conducted through August and finals will be played early in fall. Following the closing matches, a dinner dance and entertainment will be held at which prize winners in the various classes will be announced and prizes awarded.

Take Over Lincoln Agency

LINCOLN, NEB., July 13.—The general insurance agency operated by the Lincoln Safe Deposit company, a subsidiary of the Lincoln Trust company, has been sold to the First Trust Company of Lincoln for \$10,000. The safe deposit company and the Lincoln Trust company filed voluntary bankruptcy petitions in federal court July 9 and the first order issued by the court to Receiver Herbert S. Daniel, Omaha, was to sell this agency because of the possibility of companies cancelling out under the circumstances. The price is said to be good. Under the management of George E. Snuffin, the agency had developed into one of the best paying departments of the company, netting \$11,000 last year, according to trust company officers. No action will be taken for some time with respect to the life insurance trust fund operated by the trust company under the term

WESTERN DEPARTMENT
ROCKFORD, ILL.



1841
Security
Insurance Co.
OF NEW HAVEN.

PACIFIC COAST DEPARTMENT
SAN FRANCISCO, CAL.

The Connecticut
Indemnity Company
NEW HAVEN, CONNECTICUT

Fire, Tornado
Sprinkler Leakage, Explosion, Riot and Civil Commotion
Ocean and Inland Marine, Jewelry, Fur, Tourist Floaters, Parcel Post
Automobile—Full Coverage including Public Liability

which policyholders paid premiums on the instalment plan to the company which took care of renewals.

More Arson Cases Reported

LINCOLN, NEB., July 13.—More than 100 cases in which incendiarism was suspected have been investigated by the Nebraska fire marshal's office during the first six months of the year. This is the largest number for that length of time in the 18 years of the bureau's history. Marshal Butcher says that one reason is that nearly every fire under suspicious circumstances is now reported to the bureau. Many com-

plaints come from the farmers, and an unusually large number of cancellations of farm policies by mutuals and old line companies is noted.

Doing Constructive Advertising

The St. Joseph, Mo., Underwriters Association, composed of the leading local agencies of the city, is publishing a series of informative advertisements. For instance, on July 3 it published an advertisement calling attention to the danger of Fourth of July accidents. It preached the gospel of safety and insurance protection.

STATES OF THE SOUTHWEST

Valued Policy Is Prohibited

Oklahoma Insurance Board Issues Ruling Affecting T. H. Mastin & Co.—Test Case Likely

The Oklahoma insurance board has prohibited issuance of a valued policy in Oklahoma on automobiles or other property and rules that all fire companies must use the standard policy, with exceptions noted in the statute. All policies issued for fire and theft of automobiles must contain a provision to pay not more than actual cash value at time of loss or damage. The ruling refers particularly to the form of policy used by T. H. Mastin & Co., of Kansas City, and its agent, R. W. Drake, use of which is prohibited.

The complaint, filed by Secretary M. M. Keys of the Oklahoma Insurers against the reciprocal, was sustained and the board indicated that R. W. Drake was guilty of violation of state laws, and that further writing of the valued policy covering automobiles by the T. H. Mastin Company would result in cancellation of license. The ruling also indicated that Drake must furnish satisfactory assurance that he will desist from advertising valued policies in Oklahoma and from issuance of valued policies in the state or his license will be canceled.

The Mastin company contends that the general insurance statutes of Oklahoma are not applicable to reciprocals, and the concern is within its rights in issuing such a policy. A test case is believed probable.

Reduce Insurance in Force in Dallas to Prevent Arson

DALLAS, TEX., July 13.—Dallas fire insurance agents and the companies with which they are connected, are now engaged in reducing the amount of fire insurance in force on the property in the city with a view of eliminating the pos-

sibility of "burning for profit" through overinsurance.

The more than \$300,000,000 coverage on property in Dallas, is being reduced from 10 to 15 percent. The reduction is gradual, it being effected as policies come up for renewal or as new policies are written. Insurance men declare the reduction now being made is in line with the reduction in value of property since 1929. They claim it is not essential to make a survey of the city for a revaluation of the property for fire insurance coverage as was done in Waco since the same results can be obtained by the agents and the companies making the proper reduction when writing the business.

It is pointed out that this means less commissions to the agents, also less profits to the companies. But at the same time it is expected the loss ratio will be reduced and as a result, the insurance cost to the people.

Takes on Financing Service

Floyd West & Co., general agents of Dallas, Tex., have taken on the franchise of the National Guarantee & Finance Co., for agents doing business with the general agency. Agents all over Texas will be able to participate in the service provided they are representing companies in the West general agency. It will also be possible for agents representing West & Co. to finance the premiums of other companies in their agencies which are not represented through Floyd West. Mr. West in discussing the service stated he believed that the finance plan is the salvation of the local and general agent and that in time it would inevitably become universal among agents.

Oklahoma Losses Increase

OKLAHOMA CITY, July 13.—Fire losses and arson have increased to an alarming degree in Oklahoma according to the annual report of Commissioner Read. In 1931 fire premiums totaled \$10,580,782 and the loss ratio was 77.32 percent. In 1929 net fire premiums to-

FIRE REINSURANCE TREATIES

Eagle Fire Insurance Company
(NEW JERSEY)

Baltica Insurance Co., Ltd.
(DENMARK)

Franklin W. Fort

Thomas B. Donaldson

18 WASHINGTON PLACE, NEWARK, N. J.

Many people are experiencing the fact that their insurance is the only solid financial footing they have today.

PHILADELPHIA FIRE and MARINE INSURANCE COMPANY

HEAD OFFICE: 1600 Arch Street, Philadelphia
CHICAGO: 209 West Jackson Boulevard
SAN FRANCISCO: 200 Bush Street

279%

Extra Protection To Policyholders

(2½ Times a Good Average)

Property owners want to know that their fire insurance is carried by a strong, safe company . . . The GULF affords policyholders extra protection of 279% which is approximately 2½ times the average of 10 large American companies.

The GULF has \$722,544.22 in its "Unearned Premium Reserve," as required by law, to take care of normal obligations under outstanding policies.

The GULF has, in addition to the above, \$2,017,740.88 as Surplus to Policyholders . . . Extra Protection to Policyholders of 279%.

Rated "A" by Alfred M. Best Company

GULF INSURANCE COMPANY

AFFILIATED
ATLANTIC INSURANCE COMPANY
DALLAS

PACIFIC DEPARTMENT
VERNON C. DARGAN, Manager
1031 South Broadway
LOS ANGELES, CALIF.

SAN FRANCISCO BRANCH
OFFICE
C. R. TAYLOR, Agency Supt.
114 Sansome St.
SAN FRANCISCO, CALIF.

INDIANA STATE OFFICE
H. C. BALDWIN AGENCY, Inc.
510-518 Illinois Building
INDIANAPOLIS, IND.

WM. RODIEK & CO., Inc.
SUPERVISING AGENTS
2618 So. Jefferson Blvd.
ST. LOUIS, MO.

THOS. MCGEE & SONS
SPECIAL AGENTS
TITLE & TRUST BUILDING
KANSAS CITY, MO.

PARKERSON GENL. INS. AGENCY
GENERAL AGENTS
LAFAYETTE, LA.

L. N. EWING CO.
GENERAL AGENTS
TULSA, OKLA.

Something New

For those concerned with the litigation and settlement of insurance claims.

The SELECTIVE DIGEST OF THE LAW OF INSURANCE AND RELATED TOPICS

Answers the thousand and one questions daily arising in the defense and adjustment of claims, by brief restatement of the governing statute or rule of law followed in each jurisdiction, with leading case citations.

Road maps the law library for further research, when necessary to prepare a brief, by references to publications giving supplementary authority.

Puts at your disposal the seasoned judgment and specialized experience of a country-wide group of Advisory Editors, including many of the foremost authorities in the field of insurance and negligence law.

The Selective Digest is published not only as a reference work in its own right but also replaces the Digest Section of THE INSURANCE BAR, the Preeminent Directory of Insurance Counsel and trusted advisor of those who employ attorneys in insurance cases.

THE BAR LIST PUBLISHING CO.

343 S. DEARBORN ST., CHICAGO, ILL.

Copies of the New 1932-33 Edition of The Insurance Bar without law digests (Directory Section only), will be supplied without charge to claims executives, home and branch office counsel, etc., whose duties include the selection of attorneys and independent adjusters.

1794 1932

THE INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA PHILADELPHIA, PA.

Annual Statement January 1, 1932

Reserve for Unearned Premiums.....	\$2,082,507.62
Reserve for Losses, etc.....	678,921.47
Reserve for Security Values.....	1,500,000.00
CASH CAPITAL	1,000,000.00
NET SURPLUS	1,204,994.67

TOTAL ASSETS\$6,466,423.76

SURPLUS TO POLICYHOLDERS \$2,204,994.67

Acquire
THE "OLD STATE OF PENN"

taled \$16,371,976, with a 37.5 percent loss ratio.

The fire marshal's report shows that 363 fires were investigated in 1930 and 288 in 1931, 36 arrests being made in 1930 and 83 in 1931. Nine convictions were secured in 1930, compared to 14 convictions in 1931 and 34 were held for trial in the district courts, and one committed suicide.

Oklahoma Tax Issue

Unless in the remote event that the Oklahoma state courts uphold the contention of the Tulsa county assessor to include among the taxable effects of local agencies "uncollected premiums,"

the companies would have no direct concern in the affair. Outstanding premiums belong to the companies, the interest of the agents therein being to the extent of earned commissions only. As the companies pay a premium tax in the state, "in lieu of all other taxes," obviously they cannot be called upon for a further assessment. No municipal taxes are levied in any of the cities of Oklahoma.

Five San Antonio general agencies maintained an insurance booth at the Builders Exchange Exposition there. The agencies represented were G. C. Eichlitz & Co., Sawtelle, Church & Smith, Perry & McDavid, Ed Frazier Company and L. W. Gosling & Co.

IN THE SOUTHERN STATES

Effect of Bank Failures

Agents Are as a General Rule Taking But Few Chances on Their Balances

NEW YORK, July 13.—Collection of agency balances in the south has been adversely influenced by the numerous bank failures that have taken place in a number of the states in recent months and the lack of confidence by business interests in many financial institutions still operating. As indicating the latter attitude a number of agents are remitting to their companies as fast as premiums are received from assureds, without waiting for the customary settlement periods, hoping that checks will get through in advance of the collapse of the institutions upon which they are drawn. In some centers there is an entire absence of banking facilities, every one of the institutions formerly operating having been compelled to close its doors. This situation compels agents to travel at times as far as 10 or 15 miles to bank their accounts, adding to the burden of doing business. In several instances where banks have failed after clearing checks drawn upon them but before settlement has been made with the federal reserve bank, companies have been able to get partial refund from the latter institutions.

Alabama Appointments

BIRMINGHAM, ALA., July 13.—W. W. Croom, new president of the Alabama Association of Insurance Agents, has reappointed Sylvan Baum, Montgomery, as chairman of the legislative committee in recognition of his thorough work last year before the regular session of the legislature. C. S. Boswell, Huntsville, was appointed chairman of the executive committee with the following members: W. P. Acker, Jr., R. B. Ammons, Joseph F. Bullock, J. M. Ford, S. A. Fowlkes, R. J. Goode, R. T. S. Johnson, Edward M. Jones, W. D. Leake, Arthur Mead, Charles Morris, Ed Nunally, John Patterson, L. A. Sparks, L. J. Thomas, B. L. Timmerman, Carl Wilson and G. C. Wright.

Memorial Meeting Held

The Louisville Board held a special or called memorial meeting the morning of July 9, as a result of the death of Young E. Allison, Sr., of the "Insurance Field," for many years an honorary life member of the board and its only member of that classification.

Kentucky Appointments Made

LOUISVILLE, KY., July 13.—Joseph H. Gausepohl, Covington, Ky., newly elected president Kentucky Association of Insurance Agents, has added Charles J. Smith, Lexington, and A. Gordon Sulzer, Maysville, to his executive committee.

William A. Reisert, Louisville, has been reappointed national councillor.

James Manion, Henderson, Ky., will again head the legislative committee; and Miss Mary Vance, Lexington, has been named head of the membership committee.

Mr. Gausepohl also suggested that Miss Vance appoint regional sub-chairmen as follows: Western, D. R. Peel, Benton; central, Harry S. Wilson, Irvine; eastern, Donald Putnam; and southern, Norman I. Taylor, Burnside.

Mr. Gausepohl plans to call a meeting soon of the executive committee, vice-presidents and chairman of the membership committee.

Seeks to Expand Operations

LOUISVILLE, KY., July 13.—C. F. Gardner, former Covington, Ky. agent, who some months ago became active as a tax ferret in a proposition at Covington, in connection with recovery of unpaid license or occupational taxes of companies, for a 50 percent split of recovery, is reported to have been busy offering his services to various towns in the state on the same basis. Where companies have failed to pay such taxes it has not been due to any effort to escape taxation, but due to failure of the tax collection machinery of such towns to bill companies for any such taxes.

Felton to Manage Agency

LOUISVILLE, July 13.—Leigh C. Felton, Indianapolis, who has been with the Grain Dealers National Mutual Fire, is now manager of the Mutual Fire Insurance Agency, Louisville, for mutual companies, writing general fire, windstorm, automobile and casualty lines. A. Gary Lyon, who had been acting manager, becomes assistant manager and chief solicitor.

News of Pacific Coast States

California Issues Warning

Insurance Department Insists That Circulation of Unfounded Rumors Against Companies Be Stopped

Because of hundreds of complaints that agents, brokers and others have been circulating reports derogatory to many companies in California, the California insurance division has issued a warning against continuance of the practice in the form of a public statement made by the deputy commissioner pointing out that companies have accepted the challenge contained in existing economic conditions, and requesting that the public retain its confidence in the companies.

The statement says in part: "An uncompromising faith and an eagerness for human improvement, and an abiding faith in insurance as the instrument

for such improvement, can result only in one thing—the elevation of insurance as an institution to its desired dignity.

Much Criticism Unfair

"It is to be regretted that companies licensed to do business in this state have been attacked by irresponsible persons. It is especially regrettable that the public, and some agents and brokers should continue such propaganda or attempt to use it in competition. The management of any company may be, and many have been, criticised unfairly, due to general ignorance of the highly specialized nature of the business, and a prevailing tendency on the part of the general public to accept misleading statements as facts.

"The division of insurance insists that the agents, brokers or solicitors must discontinue the practice of circulating or quoting unofficial and unsupported reports relating to the financial standing of any insurance organizations licensed in this state.

"Any unfounded criticism of any company abridges its constitutional right to transact business without libelous comment, and above all else, it destroys confidence in insurance generally, and prejudices the development of the protection, which is essential to every policyholder."

Wallace-Phipps in New Deal

Live Pacific Coast Underwriters Take Over the Woodward-Phipps General Agency

SAN FRANCISCO, July 13.—Effective Monday the fire and automobile general agency firm of Wallace-Phipps General Agency succeeded Woodward-Phipps General Agency, founded by F. M. Phipps and the late W. L. Woodward. Mr. Woodward died in 1929, shortly after the new general agency started in the business. Both Messrs. Phipps and Woodward had but a short time before left the Pacific coast department of the Bankers & Shippers when that company announced its retirement from the Pacific Board. A. G. Wallace joined the firm in November, 1929, and succeeded to the Woodward interests.

Representing the Skandia, Globe & Republic, Western Fire, Western Casualty & Surety and Peoples National Underwriters of the Baltimore American, the firm has established a consistently growing business, solidly founded upon their personal reputations as underwriters and producers with a "knack" of solving unique underwriting problems. Mr. Phipps has often been featured in the business for his solution of special risks and difficult lines.

Both Messrs. Phipps and Wallace are just 36 years of age. Mr. Phipps started in the business in San Francisco in 1911 and Wallace entered in 1913 with Edward Brown & Sons. Mr. Phipps is president of the new firm and Mr. Wallace is vice-president in charge of south-

ern California and Arizona business. He makes his home in Los Angeles. Mr. Phipps operates the principal executive office in San Francisco with supervision over the remainder of the Pacific Coast territory.

Colridge Luncheon Speaker

Frank Colridge, executive secretary of the California Association of Insurance Agents, addressed the members of the Sonoma County Association at a luncheon July 11, after which he held a conference regarding plans for the state convention which is to be held in Santa Rosa November 16-18.

Miller's Agency Expands

The Hall-Miller Agency at Yakima, Wash., has purchased the agency of the Yakima Mortgage & Bond Co., thus merging two leading agencies. W. W. Miller of the firm is prominent in insurance, being president of the Insurance Agents' League of Washington.

Reduction in Dividends

SEATTLE, WASH., July 13.—A general reduction in dividends to be effected among a number of classifications will result from a downward revision being made by the Northwestern Mutual Fire Association. This will affect all the states in which the Northwestern Mutual operates.

Frazier on Advisory Board

SEATTLE, WASH., July 13.—W. Guy Frazier, superintendent of agencies here for the St. Paul F. & M., has been elected to the Washington advisory committee, succeeding A. V. Holman, special agent America Fore.

Hansen & Rowland, Tacoma, have been appointed general agents for Sussex Fire in the state of Washington.

Mountain Field Activities

Two Percent Reduction Made

Colorado Fire Premiums Cut \$80,000 Annually by Commissioner Cochrane —Loss Ratio 38 Percent

DENVER, July 13.—A 2 percent reduction in Colorado fire premiums to lower the annual income \$80,000 for the next five years is announced by Commissioner Jackson Cochrane. The loss ratio for the last five years was 38 percent.

A large reduction at this time was opposed by Mr. Cochrane who declared the insurance companies need their incomes and must conserve their resources in order to meet their obliga-

1805

1932

Caledonian Insurance Company

The Oldest Scottish Insurance Office

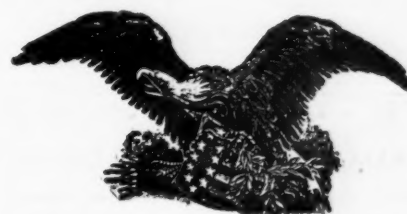
Caledonian-American Insurance Company of New York

ROBERT R. CLARK,
U. S. Manager and President

THE NETHERLANDS INSURANCE COMPANY OF THE HAGUE, HOLLAND

Est. 1845

ROBERT R. CLARK, U. S. Manager
EXECUTIVE OFFICES: HARTFORD, CONN.



Progressive, yet conservative

WILLIAM H. KOOP,
President

ALEXANDER R. PHILLIPS,
Vice-President

ALLEN W. FLEMING,
Ass't Secretary

GERALD D. GREGORY,
Vice President and Secretary

E. PHILLIP GUSTAFSON,
Ass't Secretary

AMERICAN NATIONAL Fire Insurance Company

Columbus, Ohio

AN ASSET TO YOUR OFFICE

PROVIDENT FIRE INS. CO.

Fire and Automobile Lines

ROYAL EXCHANGE
ASSURANCE

THE STATE
ASSURANCE CO., Ltd.

CAR and GENERAL
INSURANCE CORPORATION, LTD.

Automobile, Liability and Plate Glass

95 Maiden Lane

NEW YORK



Monarch Fire Insurance Co.

CLEVELAND, OHIO

RALPH RAWLINGS, President

Capital \$1,000,000

FIRE INLAND MARINE AUTOMOBILE TORNADO

★ FLOYD WEST & COMPANY

General Agents
DALLAS, TEXAS

FIRE - - LIABILITY - - MARINE

FARM, HAIL and GIN FACILITIES

Local agents' needs have our personal attention ★

FRANK J. BUCHER, President

WM. F. KRAMER, Secretary

Organized 1865

The RELIABLE FIRE INSURANCE COMPANY
DAYTON, OHIO

Surplus to Policyholders \$1,069,375

An independent Ohio Company with a record of more than 60 years of honorable dealing with Agents and Assureds

GEO. M. EASLEY and COMPANY

General Agents
DALLAS

Representing only financially
sound stock insurance
companies in TEXAS

Fire
Bonds
Casualty

tions. The ratio of the premium income to the risks assumed, he said, is too great to do otherwise.

The revised rates will become effective Sept. 1. The distribution of the reduced rates, necessary to yield the aggregate amount of the reduction, Mr. Cochrane said, will be delegated to the companies' rating organization. The method to determine the classes that will absorb the reduction will be determined at an early date, according to W. J. Kulp of Denver, manager Mountain States Inspection Bureau, following conferences with A. T. Bailey of San Francisco, chairman of the managing committee, and Frederic Williams, Denver, secretary Rocky Mountain Fire Underwriters Association.

Dunn with Company Bureau

DENVER, July 13.—A. Jackson Dunn, with the E. P. Eppich & Son general agency the past two years, will join the field staff of the Fire Companies Adjustment Bureau. He was formerly manager of the Northwestern National's mountain department, resigning two years ago to join the Eppich organization. The latter sold its general agency business to Braerton, Simonton, Brown, Inc., to conform with the separation ruling. Mr. Dunn was with the Mountain States Inspection Bureau for a number of years.

Insurance Business Affected

DENVER, July 13.—The financial difficulties of the Railway Savings & Building Association, Pueblo, which has

been forced into receivership, will indirectly injure general business conditions and the insurance business, it is believed in insurance circles here.

The collapse of the institution is attributed to depression of real estate values and "frozen assets." The association operated an insurance agency, and many of its sales representatives throughout Colorado are said to be insurance agents.

New Branch at Casper

DENVER, July 13.—A branch office of the Fire Companies Adjustment Bureau will be opened at Casper, Wyo., at once, according to George Webster, manager Mountain department. Prompter service to clients with lower cost of operation gained through elimination of traveling expenses are among the benefits to be obtained by opening the new office, Mr. Webster said. About a half dozen branch offices are now being conducted by the Denver office of the bureau.

Blue Goose Committees Named

DENVER, July 13.—F. E. Brown, most loyal gander Colorado Blue Goose, has appointed the following committees:

Entertainment: R. H. Stebbins, chairman, George B. Side, C. H. Pettingill and C. E. Cole. Membership: Herbert Johnson, chairman, A. J. Lehwaldt and F. L. Henkel. Fellowship fund: H. B. Hickok, custodian.

NEW ENGLAND NEWS

Exchange Rates Are Revised

Heavy Loss Ratio on New England Dwelling and Farm Property Brings Sharp Advances

BOSTON, July 13.—Revised rates for dwelling and farm properties in Massachusetts have been promulgated by the New England Insurance Exchange. Loss experience of Exchange companies for the past five years has been exceptionally poor, being over 58 percent for frame protected, nearly 55 for brick protected, and over 90 percent for sub-protected and unprotected. While the rates on certain classes have been sharply advanced, for others no advances have been made.

As examples: under the better grades of protection, for single family brick and frame dwellings having non-combustible roofs, the rates applicable are the same as previously applied, and but slight advances on two family dwellings have been made. Rates on the larger brick apartment houses are but little changed, although those on apartment houses of frame construction are advanced.

Rates on three deckers under all grades of protection have been somewhat increased, although four apartment brick dwellings are rated essentially the same as previous to the advances. Sub-protected and unprotected dwellings, owing to the loss experience previously referred to, have been advanced but such advances are less when policies contain the three-fourths value clause.

Property Classification

There has been a reclassification of property which was formerly subject to farm rates, rules and form. The standard farm form is no longer required and there is no distinction between a farm occupied by the owner and one occupied by a tenant. While the new rates are somewhat higher than those which previously applied, these rates do not require a statement that open lights or fire heat are not used. Further, chimneys on farms are now treated the same as on ordinary dwelling properties.

Dwellings on farm property which are unexposed by farm buildings now enjoy the same rates as similar village property under the same grade of protection.

On seasonal dwelling property, owing to less severe loss experience, rates were but little affected and under certain classes of protection no changes in the rates were made.

Connecticut Department Report

The Connecticut department receipts for the year ending June 30 amounted to \$1,019,786. This was only \$14,204 less than a year ago. The premium tax for the year was \$844,585, decrease \$6,769 from a year ago.

Push N. J. Qualification Bill

NEWARK, July 13.—The announcement made by Pennsylvania agents that there will be a change in the qualification law in that state has stirred New Jersey agents to a determination to push their agents and brokers qualification law more strongly than ever at the next session of the New Jersey legislature.

The measure, which has met two defeats, now has the official stamp of insurance executives' approval and is modeled somewhat after the present Pennsylvania laws. It is proposed to introduce the measure in New Jersey as soon as possible after the legislature convenes.

The legislative committee of the New Jersey Underwriters Association, of which Harry Godshall is chairman, has the backing of every agent in the state as well as the fire insurance executives and it is generally felt that the bill will go through this time.

Brokers Blanks Issued

NEWARK, July 13.—Blanks for statement of insurance brokers, other than life, for the six months ending June 30, have been issued by the New Jersey insurance department. The statements must be returned before July 15.

Arthur Oppenheimer, 73, Spokane, Wash., insurance man, died recently of double pneumonia.

Insurance Attorneys

A Directory of Responsible Attorneys Specializing in Insurance Law

CALIFORNIA

Dinkelspiel & Dinkelspiel
333 Montgomery St. Garfield 8638
14th Floor Pacific National Bank Bldg.
San Francisco, Calif.
Associates
Henry G. W. Dinkelspiel David K. Loner
Martin J. Dinkelspiel Alfred J. Stern
John Walton Dinkelspiel Hiram E. Casey
All Phases of Insurance Litigation
and Business

Wayne R. Millington
General Insurance and Surety
ADJUSTMENTS AND LITIGATION
Telephone DOUGLAS 1123
837 Mills Bldg. SAN FRANCISCO

GEORGIA

Bryan & Middlebrooks & Carter
ATLANTA Candler Building GEORGIA
Shepard Bryan W. R. Tichenor
Grover Middlebrooks W. Colquitt Carter
Chauncey Middlebrooks Edward B. Everett, Jr.
O. W. Russell M. H. Neeks
FIRE, LIFE AND CASUALTY
Insurance Litigation in the Southern States

ILLINOIS

Cassels, Potter & Bentley
1060 The Rookery
CHICAGO

Dent, Weichelt & Hampton
1111 The Rookery Building
Chicago, Ill.
Special attention to the law relating to all
classes of Corporate Surety Bonds

EKERN & MEYERS
Insurance Attorneys
One La Salle St.
CHICAGO

Silber, Isaacs, Silber & Woley
Attorneys & Counselors
208 South La Salle Street
CHICAGO
Special Attention to the Law of
Fire Insurance and Taxation

BROWN, HAY & STEPHEN
714 First National Bank Bldg.
SPRINGFIELD

INDIANA

GEORGE A. HENRY
INSURANCE ATTORNEY
504-5 Meyer-Kiser Bank Bldg.,
Indianapolis, Indiana
Specially equipped to handle
Investigations—Adjustments—Litigations

INDIANA (Cont.)

**Slaymaker, Merrell, Ward
& Locke**
Attorneys specializing in All Phases of
Fire, Marine, Life & Casualty
Insurance Litigation
751-769 Consolidated Bldg.
INDIANAPOLIS

Clarence C. Wysong
PRACTICE LIMITED TO
INSURANCE LAW
722 Circle Tower Indianapolis, Ind.

IOWA

JOHN D. RANDALL
Lawyer
American Trust Bldg.
CEDAR RAPIDS, IOWA

Jesse A. Miller Oliver H. Miller
Frederic M. Miller J. Earle Miller
Miller, Miller & Miller
LAWYERS
1316-1318 Equitable Building
Des Moines

**Parrish, Cohen, Guthrie
Watters & Halloran**
Attorneys and Counselors at Law
Register and Tribune Building
DES MOINES

KENTUCKY

Woodward, Hamilton & Hobson
Insurance Attorneys
615-24 Inter-Southern Bldg.
Louisville, Ky.

MICHIGAN

DUNHAM, TAYLOR & ALLABEN
ATTORNEYS AT LAW
1012-1016 Grand Rapids National Bank Bldg.
GRAND RAPIDS

MINNESOTA

Mitchell, Gillette & Carmichael
12th Floor, Alworth Bldg.,
Duluth
Insurance Litigation
Special Department for
Investigations and Adjustments

MINNESOTA (Cont.)

**SEXTON, MORDAUNT, KENNEDY
& CARROLL**
Adjusters and Investigators sent to any place
in the Northwest
Pioneer Building, Security Bldg.,
St. Paul, Minn. Minneapolis

ERNEST E. WATSON
All Lines
Represent Companies Only
Including Defense of Negligence
938 Andrus Bldg. Minneapolis

OHIO (Cont.)

STAHL, STAHL & STAHL
Attorneys-at-Law
Main Office
Stahl Building, Fremont, Ohio
Branch Offices: Port Clinton, Bowling Green
Actively handling adjustments and litigated matters
in Sandusky, Seneca, Ottawa, Wood and
Erie Counties, Ohio

WM. A. FINN
ATTORNEY AT LAW
General Insurance, Casualty & Surety Prac-
tice. Exceptional facilities for Investigations
over entire State of Ohio.
628 Nicholas Bldg. TOLEDO

OKLAHOMA

**Rittenhouse, Webster &
Rittenhouse**
American National Bank Bldg.
OKLAHOMA CITY

SOUTH DAKOTA

BAILEY & VOORHEES
Charles O. Bailey (1886-1928)
John H. Voorhees Melvin T. Woods, Jr.
Theodore M. Bailey Roswell Bottom
Howard L. Fuller
BAILEY-GLIDDEN BUILDING
SIOUX FALLS
INSURANCE PRACTICE

TENNESSEE

WILLIAM HUME
NASHVILLE

NEW JERSEY

SAMUEL M. HOLLANDER
COUNSELOR AT LAW
2704-2710 Lefcourt Newark Building
11 Raymond Blvd., Newark, N. J.
Telephone 1140-1 Market
Specialist in the Law on Breach of Warranty
and General Insurance Cases

NEW YORK

David F. Lee David Levene Edwin F. Vorreau
LEE, LEVENE & VERREAU
TRIAL LAWYERS
316 Security Mutual Bldg.
BINGHAMTON, NEW YORK
Insurance attorneys. Especially equipped to handle
investigations, adjustments and litigation over cen-
tral New York.

WASHINGTON

ROBERTS, SKEEL & HOLMAN
Alaskan Building
John W. Roberts Wm. Paul Uhlmann
E. L. Skeel Everett O. Butts
Tom W. Holman Guy B. Knott
Tyre H. Hollander A. P. Curry
Glen E. Wilson W. E. Evenson, Jr.
Edward Hutcheson H. Henke, Jr.
Frank Hunter
SEATTLE

OHIO

Rees H. Davis Fred J. Young
DAVIS & YOUNG
Attorneys at Law
General Insurance, Fire, Casualty & Surety
Practice. Also facilities for investigations
over Northern Ohio
Guardian Bldg. CLEVELAND

WISCONSIN

BLOODGOOD, STEBBINS & BLOODGOOD
Warner Bldg., 212 W. Wisconsin Ave.
MILWAUKEE
Representing U. S. Fidelity & Guaranty
Company, Metropolitan Life Insurance Com-
pany, Globe Indemnity Company

**KNEPPER, WHITE,
SMITH & DEMPSEY**
44 East Broad Street
COLUMBUS, OHIO
Trial Work—Investigations—Adjusting

Geoffrey P. Mahoney
Attorney and Counselor
831 Metropolitan Bank Building
Minneapolis, Minnesota
Investigation and Adjustment of Claims

GERALD P. HAYES
Attorney
Insurance litigation and claim work in any
part of Wisconsin.
905 1st Wis. Natl. Bank Bldg.
Milwaukee

A · DIRECTORY · OF · RESPONSIBLE INDEPENDENT ADJUSTERS

ALABAMA**W. L. MACEY**
Adjuster

All Casualty Lines—Automobile, Fire & Theft
Hill Building Phone Walnut 680
Montgomery, Alabama

ARIZONA**Southwestern Adjustment Bureau, Inc.**

Fire, Automobile and Casualty
Company Adjusters

622 Heard Bldg. 505 Cons. Bank Bldg.
PHOENIX, ARIZ. TUCSON, ARIZ.

CALIFORNIA

MILO H. NEIDIG
INSURANCE ADJUSTMENTS
Representing Companies Only
Formerly Assistant General Manager
Pacific Coast Adjustment Bureau
542 Adam Grant Building
San Francisco, Cal.

ILLINOIS (Cont.)

Established 1899
GREENE, WHITNEY & MILLER
ADJUSTMENTS
175 W. Jackson Street CHICAGO

L. E. JENKINS & CO.
Complete Claim Service for the
Companies—All Casualty Lines
Suite 1942—176 W. Adams Street
Tel. Randolph 5448 Chicago, Ill.

ARTHUR L. LADD & CO.
CLAIM DEPARTMENT
SERVICE TO INSURANCE COMPANIES
Automobile, Fire, Theft, Collision, Liability,
Property Damage, Workmen's Compensation,
Burglary
A-207-31 Insurance Exchange, Chicago
Phone HARRISON 9035

WILSON S. LEVENS & CO.
A-938 INSURANCE EXCHANGE, CHICAGO
Fire, Auto, Inland Marine, and Casualty

THOMAS T. NORTH
ADJUSTMENT COMPANY
Automobile—Fire, Theft, Collision,
Conversion, Liability, Property Damage
Inland Marine, Burglary
175 W. Jackson Blvd. Harrison 3230
CHICAGO

G. B. VAN BUREN & CO. ADJUSTERS
Specializing in
Burglary, Automobile, Tourists Floater and
"All Risk" Adjustments
327 S. La Salle St., CHICAGO, ILL.

Middle States Adjusting Company
Three Offices in Illinois
Commercial National Bank Building
PEORIA, ILLINOIS
Insurance Exchange 1458 E. State. St.
CHICAGO, ILL. EAST ST. LOUIS, ILL.

INDIANA

ROBERT D. DENTON
Automobile and Casualty Lines

914 Citizens Trust Bldg. 411 Glass Block
Fort Wayne, Indiana Marion, Indiana

INDIANA ADJUSTMENT CO.
Automobile and Casualty Adjustments
Separate Offices at
INDIANAPOLIS
FORT WAYNE
TERRE HAUTE
EVANSVILLE

ILLINOIS

C. G. EBERTH & CO. ADJUSTERS
All Branches
Fire, Automobile—Casualty
Suite 700—330 So. Wells St.
CHICAGO

Investigations and Adjustments of Multiple Lines of
Insurance Claims in Indiana
Federated Insurance Adjusters
Suite 604 Majestic Building
Indianapolis, Indiana
Frank M. Fitzgerald, Counsel
Lawrence G. Markel, Manager
Bernard G. Fitzgerald, Secretary-Treasurer

INDIANA (Cont.)

Eugene McIntire
Adjustment Co., Inc.
Automobile, Casualty, Compensation and
Surety Adjustments
Eight, East Market Street
INDIANAPOLIS

THOMAS T. NORTH
ADJUSTMENT COMPANY
Automobile—Fire, Theft, Collision,
Conversion, Liability, Property Damage
Inland Marine, Burglary
J. L. Valentine, Mgr.
241 North Penn St. Lincoln 4838
INDIANAPOLIS
Head Office: 175 W. Jackson Blvd., Chicago

A. M. Foley Adjustment Bureau
201 Union Trust Bldg. Tel. 3-9712
South Bend
Covering No. Indiana & So. Michigan
Fire, Automobile, Casualty, Compensation,
Inland Marine

IOWA

THOMAS T. NORTH
ADJUSTMENT COMPANY
Automobile—Fire, Theft, Collision,
Conversion, Liability, Property Damage
Inland Marine, Burglary
Howard E. Kopf, Mgr.
American Bank Bldg. Kenwood 1410
DAVENPORT
Head Office: 175 W. Jackson Blvd., Chicago

KANSAS**MoKanOkla Adjustment Company**

Adjusters for Companies Only
605 Temple Bldg., Wichita, Kansas
431 Railway Exchange Bldg., Kansas City, Missouri
517 Insurance Bldg., Oklahoma City, Oklahoma
420 Beacon Life Bldg., Tulsa, Oklahoma

BRITTON ADJUSTING AGCY.
Frank L. Britton, Manager
Adjusters of All Kinds of Insurance Claims
Room 220 Insurance Building
TOPEKA, KANSAS
Office Phone 25094 Residence Phone 21550

KENTUCKY

J. H. HARRISON, INC.
General Adjusters
Head Office: Starks Bldg., Louisville, Ky.
Branch Offices
Cook Bldg., Bowling Green, Ky.
Weille Bldg., Paducah, Ky.
Specialists on Automobile Finance Accounts
Fire, U. & O., Automobile, Casualty

MARYLAND

HENRY L. ROSE & CO.
Incorporated
Adjusters for Insurance Companies
General Offices
BALTIMORE, MD.

MISSOURI

Universal Adj. & Insp. Co.
INCORPORATED
Home Office: Joplin, Missouri
Kansas City, Missouri
Phone, Harrison 0992
405 Security Building
Salina, Kansas
Phone 685
United Life Bldg.
Columbia, Missouri
Phone 6886
Guitar Building

MISSOURI (Cont.)

BERT E. STRUBINGER
CLAIM DEPARTMENT
CHEMICAL BLDG., ST. LOUIS
Automobile & Casualty Claims
Branch 207, Holland Bldg., Springfield, Mo.

Phone Central 1800
Paul M. Wishon Company
Claim Adjusters
Cotton Belt Building 408 Pine Street
St. Louis, Mo. Automobile Casualty
Workmen's Compensation

S. J. BOWER
Adjusters for Companies Only
Covering All Southwest Missouri
Investigations and Adjustments
Automobile, Fire and Tornado
Woodruff Building SPRINGFIELD, MO.
Formerly with Western Adjustment Co.

NEBRASKA

THE JOHN D. GARMIRE
INDEPENDENT ADJUSTING OFFICE
OMAHA, NEBRASKA—EST. 1907
Adjusters
John D. Garmire, Omaha Jack H. Mack, Scottsbluff
Frank A. Sucha, Omaha Fred L. Burke, North Platte
John N. Higbee, Omaha Ray W. Harr, McCook
Leo G. Crampton, Omaha

OHIO

Insurance Service of Canton, Inc.
819 Renkert Bldg., Canton, Ohio
J. A. Anderson, Mgr. Phone 5167
Fire and Casualty Adjustments, Inspections
and Investigations for Insurance Companies

JOHN H. McNEAL
Auditorium Bldg. Cleveland, Ohio
Phone Main 1926
GENERAL ADJUSTERS
ALL LINES OF INSURANCE

THAYER ADJUSTMENTS
R. M. THAYER
Investigations and Adjustments
All Casualty Lines
Representing Companies Only
408 Chester-Twelfth Bldg. Cleveland, Ohio
C. Herry 8398 C. Herry 8399

THAYER'S UNDERWRITERS SURVEY CO., INC.
502-3-4-5-6 Finance Bldg.
E. A. Thayer, N. R. Thayer,
President Sec.-Treas.
750 Prospect Ave. CLEVELAND, OHIO
Claims adjusters for the Companies in every
kind of insurance loss. 30 years' experience
qualifies us.

Van-Reed & Company
C. L. Harris & Company
General Adjusters
Cleveland—905 Swetland Bldg.
Akron—412 Akron Savings & Loan Bldg.
Youngstown—310 Mahoning Bank Bldg.
Toledo—628 Nicholas Bldg.
Columbus—10th Floor, Outlook Bldg.
Cincinnati—1216 First Nat'l Bank Bldg.
Lima—808 Lima Trust Bldg.

CARL W. LORTZ
Adjusting
51-54 Ohio Bldg. & Loan Bldg. 22 E. Gay St.
COLUMBUS
Trial Work—Investigations—Attorney-at-Law
Specializing in All Casualty Lines
Phones:
Office: Main 3572 Resident: Evergreen 6519

INDEPENDENT ADJUSTERS

OHIO (Cont.)

FRED W. PETERS
INDEPENDENT ADJUSTER

Fire, Tornado and Automobile Losses
1841 Third National Bldg., DAYTON, OHIO
Over Twenty-Six Years Company Service

CLIFFORD L. ROSE

Twelve Years Company Service
Automobile, Casualty, Surety
644 Board of Trade Bldg. Adams 1838
TOLEDO, OHIO

Centrally Located Phone Us Day or Night
Central Adjustment and Inspection Bureau
D. R. Stettler, Manager
VAN WERT, OHIO

General Insurance Adjusters
Experienced men in all parts of Ohio, Southern Michigan, Western Pennsylvania and Eastern Indiana

WOOD & COMPANY

General Adjusters—All Lines of Insurance
Bert C. Wood—29 Years General Claim Agent
PEN-ONIO SYSTEM, Youngstown, Ohio—Power—
Electric Railway—City and Interurban Bus Lines
GENERAL CLAIM DEPT.—703-705 City Bk. Bldg.
YOUNGSTOWN, OHIO
Phone 3-8814

TEXAS

PERRY INSURANCE CLAIM SERVICE

Southwestern Life Bldg. Dallas, Tex.
General Insurance Adjusters
"Anywhere in Texas"
Branch Offices
Ft. Worth—Wichita Falls—San Angelo—
El Paso—Houston—Longview

Lloyd Caldwell Corporation Claims Service
Claims Managers for Insurance Companies

SAN ANTONIO, TEX. EL PASO, TEX.
Brady Building 807 Bassett Tower
HARLINGEN, TEX. HOUSTON, TEX.
Baxter Building Emerson Building
DALLAS, TEX. FT. WORTH CORPUS CHRISTI
Kirby Building Fair Building Nixon Building

WASHINGTON

FRANK ALLYN, INC.

Established 1915
MEHLHORN BUILDING SEATTLE
General Adjusters—All Lines
Branch Offices: Spokane, Tacoma, Aberdeen
PORTLAND, OREGON
Service Units in Other Pacific Northwest Cities

WISCONSIN

Rehfeld Adjusting Company
General Insurance Adjusters

MADISON
3 W. Main St. Phone Badger 1621
MILWAUKEE
829 N. Broadway Phone Marquette 2313
FOND DU LAC
39 E. 10th St. Phone 7066

THOMAS T. NORTH
ADJUSTMENT COMPANY

Automobile—Fire, Theft, Collision,
Conversion, Liability, Property Damage
Inland Marine, Burglary
A. E. S. Prior, Mgr.
828 North Broadway Marquette 3936
MILWAUKEE
Head Office: 175 W. Jackson Blvd., Chicago

NURNBERG ADJUSTMENT CO.

General Adjusters
Representing Stock Companies Only
Underwriters Exchange Bldg.
MILWAUKEE
828 N. Broadway Phone Daly 5620
BRANCH OFFICES
BELOIT ANTIGO

JOSEPH RICE & CO.

INVESTIGATIONS & ADJUSTMENT
ALL CASUALTY LINES
A. M. Rice, Mgr., Milwaukee Branch
Milwaukee Office Chicago Office
601 Guaranty Bldg. 966 Ins. Exch. Bldg.
Phone: Daly 9664 Phone: Harrison 8666

O. W. ROLFE CO., INC.

Adjusters for Companies Only
Casualty—Surety
"14 Years' Experience in Wisconsin"
709 N. 11th Street Phone Marquette 6443
MILWAUKEE, WIS.

National Bureau's
Program Adopted

(CONTINUED FROM PAGE 5)

President W. B. Calhoun of the National association spoke briefly. He was presented a thermos carafe set, of New England manufacture.

U. S. Senator G. H. Moses of New Hampshire was called back to Washington and Gov. J. G. Winant of New Hampshire was unable to be present, which left only Commissioner Sullivan on the formal list of speakers for the dinner. Senator Moses in his telegram of regret stated, "Legislation of this session which affects insurance interests would have afforded me an opportunity to discuss with you an important tendency in congressional action which, as I view it, indicates a failure to understand the principles of sound taxation."

State Executive's Advice

Governor Winant, also by wire, said, "If I could be with you the thought I would try to express would be the necessity of balancing family as well as governmental budgets, of building up the home income which should include carrying of insurance to safeguard the family. Security is the great need in American life today."

Commissioner Sullivan criticised insurance companies for having, in the past, sought excessive volume and relied on investments to make themselves solid. There are serious problems for companies, he said. Agents should choose companies carefully and represent only those sound, solid and solvent. Agents must cooperate with companies and do their part in keeping companies solvent through sound underwriting.

Closeups of New England
Agents at Bretton Woods

Messages of sympathy were sent to C. F. Wilson of Fitchburg, Mass., former national treasurer; C. M. Goddard of New Jersey, former secretary of the New England Insurance Exchange, and Mr. and Mrs. Walter H. Bennett, on account of the illness of the first two and Mrs. Bennett.

George E. Ryan, special agent of the United States Fidelity & Guaranty, won the cash prize for prompt attendance at the first business session, and Edwin J. Cole of Fall River, Mass., won at the second session.

Some 40 delegates and ladies enjoyed a trip up the cog railway to the top of Mount Washington and were rewarded with a perfect day. In this connection, those at the convention were fortunate in seeing the postponed Fourth of July fireworks from the top of Mt. Washington.

Secretary Ralph Sweetland of the New England Exchange addressed the convention briefly and extended a cordial invitation to the New England Advisory Board to have more frequent conferences with the exchange for closer cooperation.

At the ladies' bridge the winners were Mrs. Flavian Reed of St. Johnsbury, Vt., and Mrs. Walter North of Bridgeport, Conn.

Practical and useful silver prizes were offered for the winners in the golf and bridge tournaments, by the association.

There was much fun presented by the well known Hall boys. John J. Hall of the National Bureau of Casualty & Surety Executives told some good stories at the banquet and J. Dillard Hall of Des Moines, manager of the United States

Fidelity & Guaranty, also served the board in good style.

Winners of the golf tournament were as follows: Qualifying round—low net, W. T. Jordan, 67; member—Class A: low gross, W. T. Jordan and A. H. Chatterton, tie; low net, F. L. Brigham; Class B: low gross, Robert Crowthers; net, A. B. Gile. Non-member—Class A: low gross, B. A. and M. S. Goodale, tied; net, C. R. Royer; Class B—low gross; Malcolm G. Wight; net, C. A. Crowley.

George Cady, state agent of the Pennsylvania Fire, a former Chicagoan, who at one time was connected with the National Liberty and later with the Great American office, led the singing at the banquet. He distinguished himself as a comedian and was given a big hand as a stimulating fun maker.

President E. M. Allen of the National Surety was accompanied by his daughter, Marsha.

Miss Gladys Cole, daughter of E. J. Cole of Fall River, Mass., was in charge of the entertainment for the ladies and proved a most charming hostess.

Arthur B. Gile was general chairman of the convention. He is a Dartmouth man and lives at Hanover. Mrs. Gile was of great assistance in entertainment features.

Mrs. J. G. Yost of Baltimore, wife of the famous Jack Yost of the Fidelity & Deposit, won the first putting prize. Mrs. E. M. Leigh and Mrs. S. C. Dorsey of Rutland, Vt., tied for second putting prize.

E. F. Bonorden of the Johnson-Bonorden Agency, Sinton, Tex., has bought the interest of his partner, Fred Johnson.

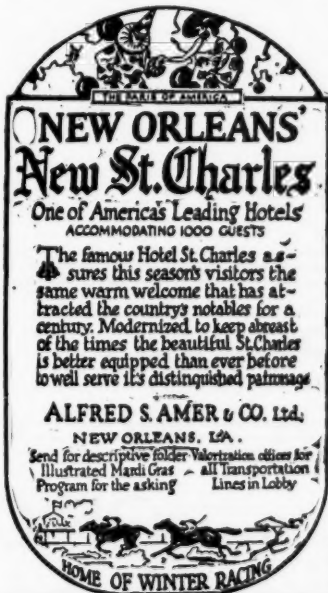
Since
1899

The Northwestern
Fire & Marine Insurance Company
has been giving a
complete insurance
service of
practical value to
agents.

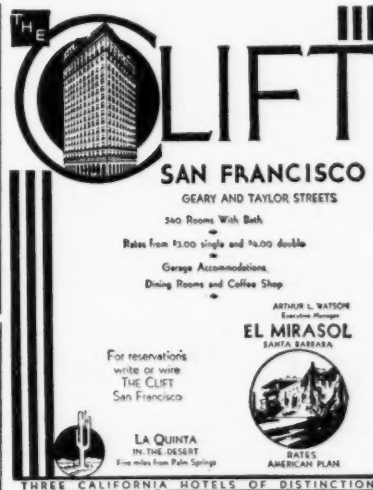
Now Writing

Fire
Auto
Hail
Tornado
Aircraft Damage
Mail Package
Merchandise in Transit
Customers' Goods
Profits
Rents and/or Rental
Values
Riot and Civil Commotion
Sprinkler Leakage
Tourist Baggage
Use and Occupancy
Builders & Contractors
Automatic Cover

NORTHWESTERN
Fire & Marine Insurance Company
John H. Griffin, President
Minneapolis, Minnesota



NEW ORLEANS
New St. Charles
One of America's Leading Hotels
ACCOMMODATING 1000 GUESTS
The famous Hotel St. Charles assures this season's visitors the same warm welcome that has attracted the country's notables for a century. Modernized to keep abreast of the times the beautiful St. Charles is better equipped than ever before to well serve its distinguished patronage.
ALFRED S. AMER & CO. Ltd.
NEW ORLEANS, LA.
Send for descriptive folder. Valuation offices for Illustrated Mardi Gras and all Transportation Program for the asking. Lines in Lobby



THE CLIFF
SAN FRANCISCO
GEARY AND TAYLOR STREETS
240 Rooms With Bath
Rates from \$10.00 single and \$12.00 double
Garage Accommodations
Dining Rooms and Coffee Shop
ARTHUR L. WATSON
Executive Manager
EL MIRASOL
SANTA BARBARA
For reservations write or wire THE CLIFF San Francisco
LA QUINTA IN THE DESERT
Three miles from Palm Springs
BATES AMERICAN PLAN
THREE CALIFORNIA HOTELS OF DISTINCTION

Could you use a tested, proved sales or collection plan? The Accident & Health Bulletins, a National Underwriter publication, contain many of them. Write for information.

AMERICAN

Capital

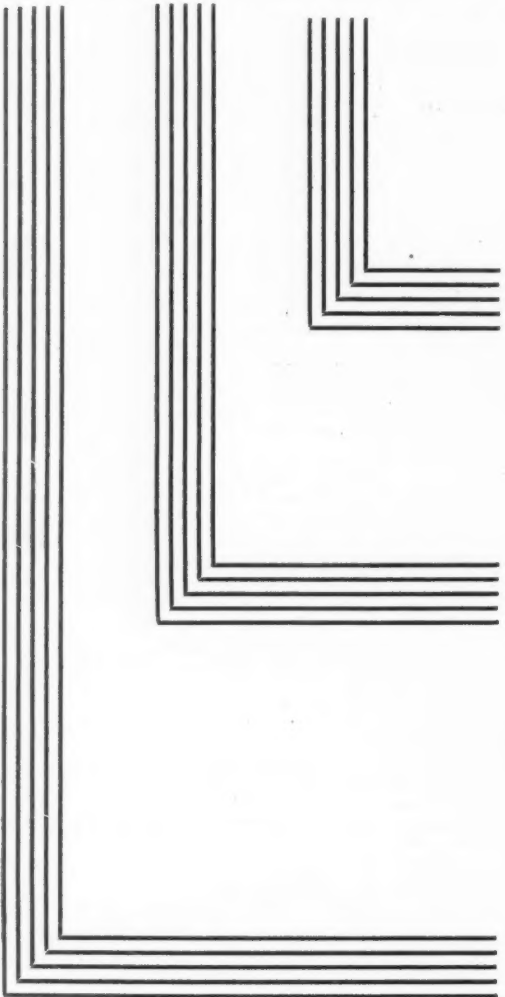
\$1,000,000.00

**INDEMNITY COMPANY**

GALVESTON, TEXAS

DESIRABLE AGENCY CONTRACTS AVAILABLE IN UNALLOTTED TERRITORY.

COMPLETE
AUTOMOBILE PROTECTION
FIRE--WINDSTORM
FIDELITY & SURETY BONDS



"WESTERN and SOUTHERN GROUP"

**THE WESTERN AND SOUTHERN
INDEMNITY COMPANY**

Policyholders Surplus - - \$1,425,184.17

**THE WESTERN AND SOUTHERN
FIRE INSURANCE COMPANY**

Policyholders Surplus - - \$470,875.53

All Securities Valued at Market December 31, 1931

Charles F. Williams, President

CINCINNATI - - - - - OHIO

Address William C. Safford
General Manager

The National Underwriter

July 14, 1932

CASUALTY AND SURETY SECTION

Page Twenty-five

Clash May Lead to a Separation

Two Interests Are at Swords
Points in the National
Council

STOCK COMPANIES' VIEW

Number of Executives Feel Time Has
Arrived for the Two Camps
to Sever Ties

NEW YORK, July 13.—The deadlock in the National Council on Compensation Insurance between the stock and mutual companies over the effort of the stock companies to secure a 25 percent increase in rates in view of the loss in underwriting on compensation has again brought the subject of the possibility of the stock companies forming their own organization and not trying to put forth any program to be opposed by the mutual companies. Stock executives claim that they cannot bring into action any major change without being blocked by the mutuals. Although the mutuals are in the minority they have an equal voice. They declare that it is incongruous that the two classes of companies should be together in the same organization, even of the character of the National Council. On certain fundamental principles the two classes universally disagree. They have clashed from time to time in the past until it has become monotonous. The mutuals will vote probably for one thing and the stock companies for another. The stock companies are in a position to place obstacles in the way of any program advocated by the mutuals and vice versa.

Attitude Is Different

Some of the executives declare that while there is an advantage in having a general experience on compensation risks coming from all carriers, it is not essential. In some ways the mutual experience will always be different from that of the stock companies. The stock companies acknowledge that the attitude of assureds to the carrying institutions is different so far as the two great classes are concerned. The method of solicitation and approach is different. The experience of the mutuals and stock companies may run parallel to a certain degree but it is generally felt that the mutuals are able to get more cooperation from their assureds and hence the loss ratio is likely to be lower. An assured pays a stock company premium and he feels that that ends the bargain. He has no further interest so far as cost is concerned outside of his experience rating. He does not get any refund on the premium.

For this reason the stock companies in their original program to have been presented to the National Convention of Insurance Commissioners suggested a

Profit Should Be Made on Direct Underwriting

NEW YORK, July 13.—Outstanding among the lessons which conditions in the casualty and surety field the past three years have made plain to executive officers, and which all should carefully heed, is that a profit should be sought from straight underwriting and not from the combination of the insurance and banking elements. While this statement appears trite it will bear emphasis anew, field reports asserting that in spite of all warnings some companies, happily few in number, still operate along the old lines. This practice if persisted in can have but one result, and that receiverships, for it is inevitable with corporations as with individuals, "that whatsoever a man soweth, that shall he also reap."

Lost Heavily on Major Lines

Even a cursory study of official records reveals that in recent years casualty and surety companies have lost heavily on the major divisions of their business. With the general public educated to claim-making as never before, it is doubly incumbent on agents in the field and underwriters at head offices to scan risks submitted with the utmost scrutiny, insisting that proper safeguards be adopted on lines not up to

standard, or refusing to accept them and, it should be needless to add, holding steadfastly for established rates.

Underwriting Became Lax

During the days of general business prosperity far less attention was given to underwriting by many institutions than safety called for, the thought being that any losses suffered in that direction would be more than counterbalanced by profits on investments. Such companies as held to the fundamental truth that insurance per se is a business and as such entitled to a fair profit upon its activities, and insisted that no thought be given to the banking element in the underwriting of risks, are now in positions of comparative comfort, while their contrary-minded competitors are having a sorry time of it.

Some agents have been shrewd enough to understand that conservative underwriting is the only policy that makes for safety in times of stress. While they may occasionally chafe at the unwillingness of their companies to accept certain lines, they yet realize that institutions of such type will be going concerns long after the free and easy writing offices have faded from the picture.

retrospective method whereby there would be a participation not exceeding 20 percent of the premium. It was felt in this way the greater interest of the assured might be enlisted. The stock companies get their business from agents and the mutuals to a large extent direct from the assured. There are agency and non-agency mutuals and there are some mixed but the big mutual carriers deal direct with the assureds largely through salaried solicitors.

See Basic Antagonisms

Stock company executives declare that the business might as well acknowledge that there are fundamental differences in viewpoint and that it will be impossible to harmonize the two classes. At present the antagonism in the National Council on Compensation Insurance retards progress on both sides. The stock companies desire to put forth a certain program which they feel is for their distinct interest. They contend that it is essential that there be a 25 percent advance in rate. The mutuals fight this. The stock companies therefore are blocked in any effort that they try to improve conditions. Therefore the conclusion reached at stock company head offices is that the mutuals would be better off by themselves and the stock companies would, too.

Difficulties Are Seen

There are difficulties, of course, in untangling the relationship in the National Council on Compensation Insurance because it operates as a non-partisan body with the insurance commissioners having representation in C. W. Hobbs. The National Convention of Insurance Commissioners therefore has a certain oversight and supervision. Mr. Hobbs casts

the deciding vote in case of a tie. He is the non-partisan official who tries to keep companies and classes in line and conduct the proceedings with as great concord as possible.

The experience in the past, and it is only emphasized by the recent meeting, indicates that there is no possibility of the two houses getting together and living harmoniously under one roof. Whether the National Convention of Insurance Commissioners would agree to a separation or not remains to be seen. There would be a certain amount of duplication of effort and additional expense if there were two rating organizations. In the interest of harmony and progress the stock companies are beginning to think that they are entitled to one of their own.

An impasse having apparently been reached between the two types of carriers in the National Council, the stock men insisting upon a 25 percent emer-

(CONTINUED ON LAST PAGE)

Treasury Gives Ruling on Mid-year Figures

Addressing all surety companies writing bonds to the federal government, the Treasury department insists that in the preparation of semi-annual statements, bonds be figured upon the amortized basis, stock holdings to be valued on June 30, 1931, and June 30, 1932 quotations, these to be added and the result divided by two in order to strike an average. This method of computation will not be as favorable to many companies as if they had been permitted to use so-called convention values.

Wants Plan for Saving Property

Vice President Knapp of Otis Elevator Co. Suggests Obsolescence Insurance

SHOWS PROTECTION NEED

Declares That Some Scheme Should
Be Devised to Protect Buildings
Against Time Ravages

J. C. Knapp, vice-president of the Otis Elevator Company, in speaking of amortization reserve to cover loss of property which because of old age ceases to be useful or remunerative, says it falls short of full service. He urges insurance companies to work out a plan to preserve and protect building investments against the ravages of time. He thinks that a scheme could be devised whereby the life and earning capacity of a building may be conserved and prolonged.

Deterioration in Value

Life companies have formulated annuity contracts and supplementing them have provided services which tend to conserve and prolong human life. He said that there is a generally accepted theory that buildings are a deteriorating investment and that ultimate loss is inevitable. An owner will see his property become more and more antiquated and his operating equipment more and more old fashioned with the result that there gathers about the premises a decadent atmosphere.

Function of Obsolescence Insurance

Mr. Knapp states that obsolescence insurance would not recognize that ultimate loss is either necessary or inevitable. In principle it maintains that property may be kept up to its original investment value by the intelligent allocation each year of a sum of money for that purpose. It provides that this money shall not lie idle but shall be spent regularly as conditions develop for the purpose of maintaining the property to its full earning status. He says:

Results of Policy Suggested

"What I have in mind and what I should like to impress on all is that genuine, 100 percent obsolescence insurance provides not only for the maintenance but for the modernization as well. It entails the adoption and installation of any new device which the manufacturer may have to offer as the years come and go; it means meeting the growing demands on the part of the public for every new convenience and comfort which inventive genius has to offer.

"The results of such a policy? Instead of the curve of value and efficiency turning downward, as under the first policy, or remaining at the same level as with the second, the curve (CONTINUED ON NEXT PAGE)

Arrangements Being Made for the Annual Convention

INTERNATIONAL CLAIM RALLY

Elaborate Program Is Being Prepared for Meeting to Be Held at White Sulphur

The International Claim Association will hold its annual meeting Sept. 12-14 at the Greenbrier Hotel, White Sulphur Springs, W. Va., W. P. Gallaher, superintendent of the investigation bureau of the Mutual Life of New York and chairman of the association's press committee has announced. An elaborate program has been prepared, which will be especially timely in view of the increase in number of claims and in the difficulty of settling them which has resulted from depressed business conditions. It is expected that the addresses and discussions at this year's meeting will be of unusual interest and value. H. S. Don Carlos of the Travelers, president of the association, has not only had the assistance of various committee chairmen but personally looked over local arrangements on a recent visit to White Sulphur Springs. Announcements of the names of speakers and their subjects will be given out later.

Wants Plan for Saving Property

(CONT'D FROM PRECEDING PAGE)

turns upward with each succeeding year. There is really no such thing as fatality in building investments. They can be made permanent and profitable by full coverage in obsolescence insurance. Why can we not look to our great insurance companies for a plan of obsolescence insurance, expert and easily operative? Individual owners may do the job fairly well; in my judgment the insurance companies can do it better. Whether this can be worked out practically I do not know, nor even whether it is a subject in which insurance companies can legitimately take an interest. There is one phase of it, however, that I believe should touch the interest of the insurance companies very closely. It is this:

Want Equities Protected

"At the present time our insurance companies are very large holders of first mortgages on business properties. To protect their equities, they now use great care to secure themselves. Titles are thoroughly searched. They require adequate fire insurance protection. Careful provision is made for keeping taxes and assessments up-to-date; but all these things taken together will not prevent the value of the building (that is the equity) from progressively deteriorating so long as no protection is made in the mortgage indenture to cover this question of obsolescence insurance. May I not ask if this cannot, and should not, be provided for?"

Halsey Los Angeles Speaker

LOS ANGELES, July 13.—Maxwell Halsey, traffic engineer for the National Bureau of Casualty & Surety Underwriters, spoke at a joint luncheon meeting of the Casualty Association of Los Angeles, the Accident & Health Managers Club, the Surety Association and the Claim Adjusters Association. W. E. Shiels of the Travelers, president of the Casualty Association, presided.

Mr. Halsey discussed the problem of reducing the number of automobile accidents throughout the country, a situation which he remarked was an insurance problem, although the companies engaged in this line of coverage, he said, are doing perhaps less than any other group to improve existing conditions along this line.

Claim Manager



EDWARD J. STODDARD

John L. Coe, who has been manager of the claim department at the head office of the Central West Casualty of Detroit for the last three years, has resigned and is succeeded by Edward J. Stoddard of Hartford, who becomes general attorney in charge of claims. He has been first assistant to the superintendent of the casualty claim department at the head office of the Hartford Accident for the last three years. Prior to that time he had served the company as attorney in charge of its claim work in seven southern states with headquarters at Atlanta. He also has had claim experience with the Hartford Accident in Minneapolis. He has been admitted to the bar in Illinois, Minnesota and Georgia. His experience at the Hartford Accident home office has covered not only direct supervision of claims in the southern and middle western territory but legal work involved in the formation of policy contracts as well as the general administration and organization of the whole claim department.

Suit to Throw Out Deal of New Jersey, Commercial

Equity action was started in Newark Tuesday by the American Glass Co., based on a bill for \$57,000 owed it by the defunct New Jersey Fidelity & Plate Glass, which if successful would result in throwing out the reinsurance deal with the Commercial Casualty.

A hearing was held in Newark Tuesday.

The contention of the glass company, based on the old English common law which applies in New Jersey, is that inequities result between claimants as a consequence of the reinsurance arrangement. In event the claim is found just by the court, the common law permits the court to throw the deal out, regardless of the insurance law of the state.

It is charged that interests of holders of bonds in apartment hotels at Chicago and elsewhere taken over by the New Jersey under mortgage guarantee bonds are jeopardized and subordinated to those of other claimants; that holders of judiciary and executor's bonds are likewise inconvenienced, due to cancellation which has occurred since the reinsurance deal became effective.

It also is claimed that the Commercial Casualty took over assets, but assumed liability for claims only arising since May 20, and that discrimination thus is shown in favor of claimants who were fortunate enough to have claims arise since that date but paid no more for their protection than persons whose claims arose before May 20.

Surety Companies Hard Hit by Losses of Last Year

TOWNER BUREAU FIGURES OUT

Experience of the Companies on Various Classes of Business Shown in a Survey

The Towner Rating Bureau of New York has released its annual experience exhibit on surety business showing losses of \$50,891,587 net on surety last year. The net premiums were \$42,655,798. The fidelity premiums were \$43,420,486 with \$22,698,793 losses. The exhibit gives only direct writing business and does not include reinsurance.

As the totals indicate, the surety lines were the most disastrous and bonds guaranteeing the payment of principal and interest on mortgage loans were the worst of these. Premiums on this line were \$372,911 and losses \$10,542,109. Other financial guarantees covering payments of sums of money brought in premiums of \$557,527 and resulted in losses of \$1,368,257. Depository bonds on banks, private bankers, etc., produced premiums of \$3,712,007 and resulted in losses of \$19,448,705. The experience on all forgery bonds combined was favorable, the premiums being \$2,570,688 and the losses \$803,774.

Experience on Other Forms

Compared with mortgage and depository bonds, the experience on contract bonds was wholesome. Court bonds of the fiduciary type produced premiums of \$8,721,074 and losses of \$2,956,768. Court guarantees, judicial, brought in premiums of \$3,573,754 and produced losses of \$2,012,756. Experience on other contract bonds resulted as follows: Federal contracts—Construction other than highways and under ground and under water, premiums, \$1,713,706; losses, \$1,122,788. Total premiums on Federal contracts, \$3,754,788; total losses, \$1,165,799.

Other public and private contracts—Construction under ground and water, premiums, \$2,404,708; losses, \$705,769. Highways, premiums, \$3,616,168; losses, \$1,492,652. Street paving, premiums, \$1,023,150; losses, \$293,499. Other construction bonds, premiums, \$6,557,757; losses, \$4,257,701. Other contracts, premiums, \$1,274,927; losses, \$3,158,900. Premiums on all licenses and permits were \$3,564,213, with losses of \$1,103,327.

Experience on Fidelity

Under fidelity lines, the bankers' blanket bonds on federal reserve land banks, national and state banks and savings and safety deposit institutions produced the largest premiums, the total being \$12,652,120, with losses of \$6,400,520. Premiums from bankers' blanket bonds on private banks were \$2,034,443, with losses of \$900,015. Bankers' and brokers' blanket bonds on stock brokers brought in premiums of \$2,560,097 and losses incurred on the line were \$876,697.

Bonds on officers and employees of fraternal orders, benefit and mutual aid associations, resulted in premiums of \$1,364,533, with losses of \$1,232,869.

Public Official Bonds

Premiums from bonds on officers and employees of all other classified lines were \$2,241,610 and the losses were \$887,115. Premiums on officers and employees of all unclassified lines were \$5,325,774 and the losses \$2,693,319. Bonds on all officers and employees of treasurers and tax collectors, under the heading "public officials other than federal," produced premiums of \$3,335,335 and losses of \$2,626,367. On all officers and employees of all other public officials the premiums were \$1,154,426 and the losses \$3,647,084. Premiums on all fidelity bonds written on Federal officials amounted to \$802,960 and the

Bull Insurance May Be New Aviation Coverage

Bull insurance is the latest coverage sought by aviation enthusiasts. A Chicago aviator in a bright red plane landed in a field in northern Wisconsin near his summer home and a bull came along and saw red. He charged ferociously and his horns ripped the fabric on the plane's fuselage.

That the insurance should not be limited to the male of the species is evidenced by several instances: Another aviator landed in a field and left his plane to visit the town. When he returned he found a cow had licked a considerable portion of the alum and glue from the wings of the ship and had worn several holes in the fabric. Another aviator came down on a cow in a forced landing at night and both plane and cow were badly damaged.

Court Considers Authority to Sue Mutual's Directors

BOSTON, July 13.—Judge Fred T. Field of the supreme court has taken under advisement a petition for the appointment of a receiver who would have authority to sue the directors of the Twin Mutual Liability of Boston for losses of the retired company. The company, which wrote motor vehicle and workmen's compensation lines, quit business on June 1, 1931, reinsuring all its outstanding policies in other companies. Marvin C. Taylor, counsel for policyholders, said that the company's losses are outstanding as far back as 1924 and that it is unfair to levy an assessment at this time only on those policyholders who held policies on Dec. 17, 1931.

Otis E. West Dies

Otis E. West, 53 years old, vice-president Kentucky Central Life & Accident of Anchorage, Ky., died in a Lexington hospital, following an emergency operation for appendicitis. He had been in the business 25 years.

Shackelford Retired

George P. Shackelford, associate resident manager at Richmond, Va., for the Fidelity & Casualty since 1924, has been retired in that capacity but he announces that he will continue to have a desk in the office and will retain his connection with the company. He has served the company since 1896 except for a brief time when he saw service in the Spanish-American war with the rank of captain. From clerk, he rose to be a special agent, traveling for 25 years out of the office whose territory includes Virginia, West Virginia and North Carolina. He served as assistant resident manager for a short time before being made associate resident manager. Lewis C. Adair continues as resident manager.

Bintliff Portland Head

D. C. Bintliff, manager Portland, Ore., branch of the Missouri State Life, was elected vice-president of the Portland Accident & Health Managers Club and he was also made chairman of a special committee to outline plans for an accident and health insurance week to be staged in October.

losses were \$107,873. The premiums on bonds for agents, managers and branch office employees of insurance companies were \$845,345 and the losses \$845,677.

Silicosis Ruled Not Covered in Important Illinois Case

OCCUPATIONAL DISEASE RULE

Judgment for \$17,500 Reversed by Appellate Court—Hailed as Big Victory for Companies

A ruling of vital importance in Illinois and a number of other states having occupational disease statutes has been made by the appellate court, fourth district of Illinois, to the effect that silicosis is not covered in a policy and should not be read into it merely because of the state occupational disease statute.

The ruling is clear cut, establishing a precedent against a weight of court decisions arising out of occupational diseases in industry which have been a heavy burden on companies writing workmen's compensation. The effect, it is believed, will be that a company will be able to endorse policies specifically to cover silicosis and charge an extra premium for this hazard. Heretofore carriers in Illinois have been preyed upon by ambulance-chasing attorneys who have ransacked tuberculosis sanitariums for cases with personal histories which indicate there was a possibility silicosis might have been the primary cause.

Several Cases Joined

The appellate court in the case cited, entitled Belleville Enameling & Stamping Co. vs. United States Casualty, on appeal from the circuit court of St. Clair county, disposes of several joined cases involving \$17,539 obtained by judgment or through settlement with employees by the enameling company. The employer claimed the United States Casualty was liable under compensation policies for this amount.

The carrier denied liability, contending silicosis is an occupational disease and the policy covers only injuries caused by accident. The original judgment against the United States Casualty was \$17,539 under four standard workmen's compensation and employers liability policies.

Contention of Employer

The enameling company contended the policies covered against two kinds of personal injuries—first, those covered by the workmen's compensation law, and second all injuries to employees, to which damages as distinguished from compensation are recoverable. It was conceded silicosis is not an accidental injury, such as is contemplated under the compensation act, but that it is an occupational disease contracted by persons engaged in sand-blasting.

Accidents and Occurrences

A further contention was that the word "accident" in the policy is employed in the sense of "occurrences," and complete consideration of all terms of the policy shows it is intended to cover all losses where the employer is required to pay damages on account of personal injury to employees legally employed. Numerous authorities in Massachusetts and other jurisdictions were cited to support the claim that occupational disease is a personal injury.

Substance of Decision

The Illinois appellate court stated that, bearing in mind the well established rule of law that where an insurance company leaves its design or meaning doubtful by the use of language that is not clear, courts will adopt the construction favorable to assureds; and also that an insurance contract will be construed most strongly against the insurer, yet the court ruled it could not interpret the contract to cover injuries not resulting from accident. To do so, the court said, would be to ignore paragraph 7 in the policy which stipulates that the agreement shall apply only to

Declares Informed Insurance Attorneys Should Be Employed

John A. Millener of Rochester, N. Y., secretary of the International Association of Insurance Counsel, comments on a recent contribution to THE NATIONAL UNDERWRITER from an insurance attorney regarding the waste to which companies are subjected in employing lawyers who do not know insurance sufficiently well to handle issues intelligently. Secretary Millener states that one of the objects of his association is to assist the companies by furnishing free of charge a list of names of members who are regarded as experienced in insurance. Mr. Millener says:

"The author of your article states, 'Much waste can be eliminated through the employment of attorneys fitted through experience, in handling insurance matters. The companies do not follow this plan to any great extent. It seems to be their practice to employ attorneys without regard to whether or not they specialize in insurance work. This work is a specialty in the legal field.'

Excellent Advice Is Given

"The author of the article gave some excellent advice to the home office executive who has the employment of local attorneys to defend his company. It is quite true that if persons suffering from some disease or physical impairment, in seeking medical aid, they now go to a specialist. If it is an impairment of the eye, they seek out an eye specialist; or if it's an impairment of the nose the patient seeks out, or his physician recommends him to a specialist on nose and throat.

"But little attention has been paid to this detail by insurance companies when it comes to defending an insurance contract which may involve a very important legal point. The point of law involved may be on some clause in the policy which not only affects the company involved in the litigation but may be the deciding point on some clause which affects probably a hundred companies. One bad court decision on account of the facts not being properly handled or not properly presented to the court may be the means of establishing the law on the particular point involved which will affect hundreds of

the companies using the same clause.

"I am heartily in accord with the author's views in his article of June 2 when he says that the companies or the claim divisions 'would reap a more satisfactory result and greatly reduce the cost of adjusting if they would concentrate on insurance lawyers who specialize in this branch of the law.'

"The fine-spun distinctions propounded in a few of the opinions handed down by our courts in recent years indicate that they have experienced great difficulty in arriving at their conclusions on perplexing legal problems. This is probably due to the innumerable and sometimes irreconcilable decisions and distinctions that appear in some of our court decisions on insurance law. These decisions in some cases have been brought about by reason of cases not having been properly prepared and presented to the court by lawyers not specially trained on insurance matters. In order to minimize these unsatisfactory results, the carrier should make it a point to have its case prepared and tried by a lawyer who is specially trained in insurance matters.

Will Assist the Companies

"The International Association of Insurance Counsel in an endeavor to render real service to the insurance companies has built up an international insurance bar. All of its members are lawyers who are specializing in insurance adjustments and insurance litigation. In fact, a lawyer is not eligible for membership in the association until he shows by satisfactory proof that he represents insurance companies and before membership is accorded to him, his qualifications are checked up with the insurance company the lawyer claims to represent, to ascertain if his work has been satisfactory.

"The International Association of Insurance Counsel, in order to assist insurance companies, prepares and distributes to the insurance companies the names and addresses of its members and any claim executive or general counsel of a company not having this list can secure it without charge by writing to John A. Millener, secretary, 733 Genesee Valley Trust building, Rochester, N. Y."

Window Smashing Gang Is Now at Work in St. Louis

ST. LOUIS, July 13.—St. Louis police are endeavoring to locate a band of vandals which has been smashing plate-glass windows at night. Non-union workmen had been employed at several of the buildings according to the police. This may or may not explain the attacks. In one night recently four buildings were attacked and windows valued at more than \$500 were destroyed.

such injuries so sustained by reason of accidents occurring during the policy period, limited and defined as such in item 2 of the declaration.

To give the policy the meaning insisted upon by the appellee, the court said, in effect would require elimination or rewriting of paragraph 7 so as to make a new contract, whereas courts can only examine contracts as they are written. The court ruled that the policy covers what it purports to cover, injuries sustained by reason of accidents, and judgment of the circuit court of St. Louis county was reversed with instructions to insert in the judgment the statement that the court finds the alleged injuries from silicosis are not covered by the policy in question.

Burglary Contract Did Not Cover Jewelry in a Store

BELONGED TO DECEASED WIFE

Residence Policy Coverage Could Not Be Stretched to Apply to the Loss Claimed

In the case of Gross et al. vs. Fidelity & Deposit, the United States district court eastern district of New York decides a burglary case. The policy was a residence burglary policy. The company insured Harry Gross and his children against loss by robbery or personal holdup of any jewelry owned by them at the time of commission of crime, provided such crime took place anywhere within the United States and Canada. They were protected against loss of any jewelry where such robbery took place within the residence or was stolen from any safe deposit box. There was no robbery at the residence nor theft from any safe deposit box.

Contention of the Assured

The plaintiffs declare that they sustained a loss by reason of a personal holdup which occurred at the Jamaica store in New York. Gross and his brother were partners conducting a jewelry business. They had two stores, one in Jamaica. While Gross was in his store in the morning, three armed men came in, held him up and one of his employees, and while one of the robbers guarded the prisoners, the other took valuables from the safe and from show cases and left. There was a large amount of jewelry taken, including the jewelry of the deceased wife of Gross. The other insurance company paid the partners \$46,000, \$3,000 of which was on account of this particular jewelry. Gross claims that the jewelry of his wife that was stolen was worth \$7,000, that he received \$3,000 from the other company and he is entitled to get \$4,000 from the F. & D. The claim relates entirely to the personal jewelry of the deceased wife.

Jewelry Kept in the Store

The jewelry had been kept in a safe at the Jamaica store, a place used exclusively for business purposes. Gross had sold some of the jewelry; the court holds that it is a fair inference that he was keeping the remainder for sale. One condition in the policy relieved the company of liability if the articles stolen were being held for sale at a place of business unless the premises were to be occupied solely as a private residence. The plaintiffs failed to prove that they owned the jewelry at the time of the robbery. The court holds that the policy was primarily a residence policy. However construing it in its most liberal light in favor of the assured, and thereby finding that some or all of these articles were of a character suitable to some or all of the plaintiffs and that the term "robber," as defined in the contract, is not inconsistent with the general definition of such crime, so that it would not be absolutely necessary for the victim of the robbery to have had the articles taken from his person as long as they were taken from his immediate presence, yet, such victim must at least have been shown to have owned the articles so stolen. All of the property belonged to the estate of the deceased wife. The complaint was dismissed.

Canadian Forms Supplied

Companies writing automobile have been furnished copies of policy forms to be used in certain Canadian provinces under the automobile insurance act recently enacted, and which becomes effective in Ontario Sept. 1, and in other provinces as their councils may determine. Companies are required to file only special forms.

New York Department Will Take Adverse Decision Up

The New York department will appeal to the court of appeals from the decision of the appellate division on the assessment of a \$10,000 penalty against the New Jersey Fidelity & Plate Glass for alleged violation of the rating and anti-discrimination law in which the court held the fine invalid because an administrative officer levied it. Superintendent Van Schaick undoubtedly will seek legislation to clarify the law so there will be no doubt as to the power of the department to assess fines. The superintendent said that the decision will not affect the policy of the department in enforcing the provision of the law and has only to do with the matter of procedure. The assessment of penalties is but one method of law enforcement. Having the attorney general bring action for penalties after the facts are ascertained by the insurance department will subject companies to a longer and more expensive defense. Not one violation will be tolerated as a result of the recent decision, Mr. Van Schaick says.

American Credit Indemnity

The American Credit Indemnity has transferred \$600,000 from capital to surplus by reducing the par value from \$25 to \$10 per share.

CHANGES IN CASUALTY FIELD

Buck Now With Independence

Veteran Casualty Man Is Appointed Wisconsin Underwriting Manager for Independence Indemnity

MILWAUKEE, WIS., July 13.—J. E. Rasmussen, vice-president Independence Indemnity, announces he has secured the services of K. M. Buck as underwriting manager for Wisconsin. Mr. Buck has been associated with various companies in this territory and is particularly fitted to occupy this position in connection with a general agency in Wisconsin. He has been in the business for 15 years, employed by such companies as the Globe Indemnity, Royal, Travelers, and Independence Indemnity. For the last eight years he has been with the Southern Surety and Consolidated in the general agency of Meigs & Cope.

While Mr. Buck has had a well rounded experience in casualty, during the past few years he has specialized in surety, burglary, health and accident,

and with this acquisition the J. E. Rasmussen general agency believes it is in a position to render superior service to its agents.

Makes New York Appointments

The Standard Surety & Casualty announces general agency appointments in Syracuse, Rochester and Schenectady in line with its program for conservative development in upstate New York. Claim offices will soon be opened in Rochester and Syracuse.

In Syracuse, the Standard Surety & Casualty is now represented by the W. J. Farber agency; in Rochester, by the W. J. Malley agency, and in Schenectady, by Young & Van Woert.

The three agencies are being serviced by the Albany service office, of which Roy V. Raymond is manager.

Los Angeles Office Closed

The United States Casualty has closed its southern California branch at Los Angeles, which has been in charge of D. W. Coakley as state manager,

following the recent purchase of the company by the New Amsterdam Casualty. The office was opened in September, 1930, with J. P. Kessler in charge as manager and with Mr. Coakley as manager of the fidelity and surety department. When Mr. Kessler resigned as manager in August, 1931, he was succeeded by Mr. Coakley.

Open Fort Wayne Office

The United States Fidelity & Guaranty is opening a branch office in Fort Wayne, Ind., in the Central building. Bernard Niehaus is manager.

Walker's New Connection

L. E. Walker, who opened his own general agency on the seventh floor of the Insurance Exchange, Chicago, a month ago, has taken representation of Lloyds Casualty as general agent for all casualty lines, and also a general agency for the Freeport Motor Casualty for automobile at independent rates. His territory is Chicago.

Gaffney Opens Detroit Agency

T. F. Gaffney of Detroit has resigned as vice president of the Title Guaranty & Casualty, a company writing health and accident located in that city to en-

ter the general fire and casualty business on his own account. He has opened an office at 235 Lafayette building.

Previous to joining the Title Guaranty he was associated with the Kenneth Watkins Agency in Detroit.

Jackson Leaves Consolidated

G. A. Jackson has resigned as vice-president and agency superintendent of the Consolidated Indemnity of New York City. Prior to joining the company he was connected with the Royal Indemnity. While he will likely continue in the insurance business he has no plans for the immediate future.

E. J. Lynch Joins Consolidated

NEWARK, July 13.—Edmund J. Lynch, who started his insurance career about ten years ago in New Jersey with a prominent agency, has joined the metropolitan office of the Consolidated Indemnity as special agent covering the local brokerage field.

Opens Buffalo Branch

The Maryland Casualty has opened a branch office at 290 Main street, Buffalo, under the management of Joseph A. Hoen, who was formerly manager of the Buffalo claim division of the Maryland Casualty. The branch has been established in view of the resignation of Tiernon & Co. as general agent for the Maryland Casualty in the Buffalo territory.

Jolliffe With North America

Ed C. Jolliffe, former branch manager of the Home Indemnity in Detroit, is now state agent for the Indemnity of North America, with offices at 1200 Buhl building, succeeding Herbert F. Schott, who recently resigned after holding that position since the first of the year.

Fred J. Crisp Resigns

SAN FRANCISCO, July 13.—Resignation of Fred J. Crisp, assistant manager of the Century Indemnity on the Pacific coast is announced effective Sept. 1. Harold F. Mills, manager Aetna Fire who has been managing the Century since the resignation of Rollo Fay last October will continue to direct the operations of all companies of the Aetna Fire group in Pacific coast territory. Mr. Crisp was formerly coast manager of the National Surety becoming assistant manager of the Century Indemnity September, 1928. No announcement is made as to his future plans.

Whelehan Is Agency Head

The appointment of J. F. Whelehan as vice-president and superintendent of agencies of the Consolidated Indemnity is announced by President A. B. Samuels. Mr. Whelehan's connection with underwriting dates from 1912, when he joined the staff of the Fidelity & Deposit, continuing for eight years when he associated with the Royal Indemnity remaining with it until 1930. Then he transferred to the Consolidated Indemnity, being appointed assistant secretary before the end of the year.

Casualty Changes Notes

The Globe Indemnity has appointed E. B. Randall & Sons general agents at Los Angeles.

The Massachusetts Bonding has appointed Charles L. Crane & Co. of St. Louis as general agents.

The American Motorists of Chicago has been admitted to Virginia to write automobile lines. Offices will be maintained at Richmond with E. Ray Winters in charge.

R. L. Savage, Jr., of the United States Fidelity & Guaranty's Richmond claim office has been placed in charge of the Raleigh, N. C., claim office, succeeding S. C. Harvey, who has been assigned to special claims duty.

John T. Carlon, who left the insurance business to become Missouri deputy finance commissioner, has reestablished a local agency at Brookfield, Mo.

NATION-WIDE CLAIM SERVICE

AMPLE RESOURCES **SOUND MANAGEMENT**

BANKERS INDEMNITY INSURANCE COMPANY

NEWARK, NEW JERSEY

• • •

ONE OF THE AMERICAN GROUP

WORKMEN'S COMPENSATION

Increase to Help Carriers

New Jersey Bureau Explains Basis for Compensation Rate Change in That State

NEWARK, July 13.—The increase in compensation rates in New Jersey which became effective on June 30 is one of the consoling factors to casualty companies for the last six months of this year and may result in increasing the premium income and lowering the loss ratio.

The Compensation Rating & Inspection Bureau of New Jersey, of which A. R. Lawrence is chairman and manager, points out that within a year rates have been advanced on the average about 28 percent. In the last two revisions, definite adherence has been given to the principle of projecting loss ratios forward to their full indicated effect in the period to which they must apply. In other words, the experience of the past has been employed, not to establish any sort of average condition, which it may be hoped to reproduce, but rather, to develop the trend of progression.

From a study of comparative statistics it is reasonably apparent that the accident frequency rate, while showing some disposition to stabilize, has not diminished. The accident severity rate appears to continue steadily upward, as to medical costs, while part-time and unemployment present their own peculiar and serious difficulties, both legal and practical.

In this connection it is pointed out that occupational diseases represented .6 of 1 percent of the total loss cost in 1925, the first full policy year under occupational disease coverage, and 2.4 percent under the latest available year, 1929, having multiplied fourfold in four years.

Oklahoma Loss Ratio 146%

OKLAHOMA CITY, July 13.—Compensation premiums in 1931 of 55 stock companies, four mutuals and two reciprocals totaled \$2,034,610, while claims amounted to \$2,978,927, for a loss ratio of 146.4 percent, compared to the 1930 loss ratio of 90.72 percent, according to Commissioner Read's annual report.

"With an increase of 55.68 percent in their 1931 loss ratio," said Mr. Read, "it seems apparent that the average increase in manual rates of 47.5 effective Oct. 1, 1931, was insufficient to meet the rising cost of compensation insurance in this state."

Kizer Reappointed in Virginia

Charles G. Kizer, chairman Virginia industrial commission, has been reappointed by Governor Pollard for another term of six years. He has served continuously on the commission since it was organized. He represents the labor interests.

Ohio Will Increase Rates

The Ohio Industrial Commission will soon announce increases in the monopolistic workmen's compensation fund rates of that state, the average increase being 17 percent. The increase last year was 7 percent. The reserve account in Ohio has decreased to about \$42,000,000 from \$54,000,000 in 1929.

Heat Stroke Is an Accident

The Minnesota state industrial commission has held in the case of Murdock vs. Washburn-Crosby Company that although an employee was not exposed to a greater degree of heat than other employees in the same locations or many other workers on a hot summer day, this fact was immaterial and compensa-

tion is payable for his death from heat stroke. The commission said the courts have determined that death from heat stroke constitutes an accident in the meaning of the compensation act.

Air Death Not Compensable

MADISON, WIS., July 13.—Compensation was denied in the Dane county circuit court to Mrs. Signe Field, widow of Marshall Field of Sheboygan,

for his death in an airplane crash. The case was on appeal from finding of the industrial commission which had awarded compensation. The court ruled that a power dive in which a wing was ripped from Field's plane was not in line of his duty as pilot and manager of the Sheboygan Airways, since it was in violation of the state statutes against acrobatic flying with passengers.

Peg Leg Covered

The California supreme court has held that injuries to an artificial leg are compensable. The decision was given in rehearing of the case of Pacific In-

demnity vs. Industrial Accident Commission. The state constitution grants the legislature the power to provide a system of compensation for injury or disability and the court held that a worker who lost an artificial member would be disabled within the meaning of the constitutional provision.

Fidelity & Deposit Dividend

BALTIMORE, July 13.—Directors of the Fidelity & Deposit have declared a quarterly dividend of \$1 a share, payable July 18 to stockholders of record July 8. This is the same disbursement made for the last quarter.

A BEACON
of PROGRESS

Centralize

FOR
"FRIENDLY SERVICE"

IN DIFFICULT PROBLEMS

The expert guidance of Home Office authorities is at all times available to every Central Agent in the solution of any difficult insurance problem that may arise.

And there's no costly delay, no red-tape fuss or bother in the cheerful rendering of this competent advisory assistance. Agents' letters are fully answered the same day they are received—prompt, reliable, "friendly service" may always be depended upon.

This is but one of the many ways in which this Company is constantly cooperating with its Agents in the development of business. Let us explain in detail just what "Centralizing" means to you.



CENTRAL SURETY AND INSURANCE CORPORATION

KANSAS CITY

MISSOURI

DENNIS HUDSON, President

3 features your clients want in automobile insurance

1
sound, stock company insurance which gives ample, safe protection.

2
independent rates which your customers can afford to pay without sacrificing protection.

3
equitable, rapid and pleasant handling of all claims.

All these features which help keep your automobile business sold year after year are found in Central States Motorists full coverage automobile insurance. Desirable territory open in Illinois.

Rufus M. Potts, *President*

**CENTRAL STATES MOTORISTS
INSURANCE COMPANY**
CHICAGO, ILLINOIS

AUTOMOBILE	PUBLIC	BURGLARY	ACCIDENT
LIABILITY	LIABILITY	THEFT	HEALTH
PROP. DAMAGE	TEAMS	PLATE GLASS	WORKMEN'S
COLLISION	ELEVATOR	STEAM BOILER	COMPENSATION

General Accident



FIRE AND LIFE
ASSURANCE CORPORATION, Ltd.
FREDERICK RICHARDSON, *United States Manager*
GENERAL BUILDING - 4TH & WALNUT STS.
PHILADELPHIA

ATWELL, VOGEL & STERLING, Inc.
PAYROLL AUDITS—INSPECTIONS

330 So. Wells St., Chicago 116 John St., New York
604 Plymouth Bldg., Minneapolis 369 Pine St., San Francisco

The A & H Review A monthly magazine for health and accident information. \$2 a year.

Accident-Health Field News

Banquet Ends A. & H. Drive

Engrossed "Leaders" Certificates Presented 40 Agents at Meeting of Los Angeles Club

The Accident & Health Managers' Club of Los Angeles gave a banquet in honor of company and agency leaders in the drive for production of A. & H. business engaged in for two weeks following announcement of Gov. James Rolph, Jr., proclaiming Accident & Health Insurance Week in California.

W. E. Lebby, of Behrendt-Levy-Rosen, president of the Los Angeles club, presided. A feature was presentation by President Lebby on behalf of the club to each of the leaders in production of an engrossed certificate recording that the holder was leading producer of his company and/or agency. Approximately 40 accident and health agents qualified as leaders in the two weeks' drive.

President Lebby called on R. E. Bridges, assistant manager Travelers and chairman publicity committee of the club, who discussed advantages of membership. The guest speaker was Robert Gordon, of the Bank of America, who talked on business conditions and gave an optimistic outlook for the future.

Holding Company Incorporated

OLYMPIA, WASH., July 13.—The Public Service Underwriters of Seattle has been incorporated as a holding company for the Public Service Health & Accident, which will begin operations within the next 60 days, and the Public Service Life, which will be launched later.

Charles H. Leber, a Seattle life and accident man is president and C. A. Magnuson is secretary-treasurer. The life company will operate on a legal reserve basis.

Wharton Made Sales Manager

J. J. Wharton, Denver, has been promoted to sales manager of the accident department of the Gibraltar Life & Accident. He has been with the company three years.

Increase for United Casualty

The United Casualty of Massachusetts reports an increase of 11.8 percent in its accident and health business during the first six months. It has issued a new low cost guaranteed income accident disability policy without death indemnity.

Not Quitting Monthly Field

The Alta Life of Philadelphia, which has started writing accident and health business on the weekly payment plan, is not abandoning the monthly premium field, as was recently stated. It is still writing on the monthly, quarterly, annual and semi-annual basis.

Sommerville General Agent

The Continental Life of St. Louis has appointed Frank J. Sommerville general agent at Los Angeles. Mr. Sommerville has been special agent for the accident and health department. In his new position he will be in charge of both the life and accident and health business.

WANTED

Well established and sound automobile insurance company with home office in Ohio desires the services of an experienced automobile underwriter. In reply give full details as to experience, qualifications, references, etc. Address W-57, The National Underwriter.



In the Lobby:

Financial Leaders...
Builders of Industry...
Directors of the destinies of America's far flung enterprises. On their arms their charming wives and daughters.

HOTEL DETROIT-LELAND

at \$2.50 single and \$3.50 double (all outside rooms) offers the traveller the utmost in comfort and luxury, plus the distinction of a notable address...

CASS and BAGLEY AVE.
DETROIT
BAKER OPERATED

HOTEL MONTEREY

JANESVILLE, WIS.

HARRY B. DOTEN, *Proprietor*
"Insurance Men's Headquarters"

150 rooms with shower or combination tub and shower.

FIREPROOF

Free protected night and day parking

Popular prices in dining room and coffee shop

Stop at a hotel where you will feel at home. We will extend you an insurance welcome for insurance men from a proprietor with 25 years experience in the field.

Reduce Insurance Rates

Recommend
**JUSTRITE OILY WASTE
AND SAFETY CANS**

Approved and Labeled by the Underwriters Laboratories and Associated Factories Mutual Insurance Co.'s

JUSTRITE MANUFACTURING CO.
2867 SOUTHPORT AVE. CHICAGO, ILL.

Of course you've heard of the **Fire, Casualty & Surety Bulletins!** The National Underwriter will be glad to send you detailed information.

FIDELITY AND SURETY NEWS

Question of Fraternal Bond

Counter-proposal Made in Surety Association When Liability for Bank Deposits Is Deleted

NEW YORK, July 13.—Assumption of liability for funds of fraternal orders on deposit in banks or trust companies was deleted from fidelity Form C written by member companies of the Surety Association of America, action that presumably was agreeable to a large proportion of the membership. One important company, however, now asks that the indemnifying clause be restored to the bond, maintaining that the business might safely be so written.

Opponents of the proposal point out that while bank deposits were assumed without particular loss in earlier days, the number of bank failures within the past three years has entirely changed the complexion of the business. They note further that many fraternal orders now have well developed insurance features attached to them thereby increasing very substantially the loss hazard. The whole question is being agitated and will probably come up formally when the fraternal committee of the association next meets.

Object to Action

DALLAS, July 13.—The action of the Texas state game, fish and oyster commission in declaring that fidelity bonds written on employees of the department, as provided by law, shall be written only by the Employers Casualty company of Dallas, is bringing condemnation from local exchanges. The criticism of the department is based on alleged favoritism, and the taking from the employees of the department their constitutional right to place their insurance business with any reliable company they choose. The San Antonio Insurance Exchange has adopted resolutions scoring the commission for its action at a meeting last week.

Many Nebraska Warehouse Bonds

LINCOLN, July 13.—Surety bonds totaling \$3,635,000 have been filed to date this year with the Nebraska state railway commission by licensed warehousemen, guaranteeing the integrity of grain in storage. The old warehousing act was riddled by court decisions, and its successor was too rigid in its provisions to secure business, and so there has been only a limited field for sales of this class of bonds until the last legislature changed the law and removed the supervision of warehouses from the state department of agriculture to the railway commission, where it originally rested.

Sifting Out the Reliable

NEW YORK, July 13.—Decision of O. W. Merrill, state director of highways in Ohio, to establish a credit department in his office, the function of which will be to determine the responsibility of contractors seeking public work, and surety companies offered as indemnitors in the event of a contractor's default, is regarded by companies here as a sensible move. The recent failure of the Southern Surety, the New Jersey Fidelity & Plate Glass and other bond companies has made public officials critical of the character of the indemnity offered, and insistent that acceptable bonds be from institutions able as well as willing to meet every obligation assumed.

Company Loses Depository Suit

Judge Padden, of the municipal court of Chicago, has given judgment against the American Employers', in favor of

James S. Kemper of Chicago, and three of the organizations in his insurance group, under a depository bond issued by the company, covering funds in the Sheridan Trust & Savings Bank of Chicago. When the bank closed on June 8, 1931, the American Employers'

denied liability under its bond claiming the funds were in accounts not bearing the exact names of the obligees.

Judge Padden found that the funds were the property of the obligees, deposited by and on their behalf, and entered a judgment in the full amount of the loss with interest added.

The Hartford Accident & Indemnity Company had previously made payment to the Kemper interests under its depository bond.

NEWS OF THE COMPANIES

Is Expected to Start Sept. 1

Midwest Indemnity of Oklahoma City Now Shaping Up Its Affairs for Casualty Lines

The Midwest Indemnity & Insurance Company being organized at Oklahoma City in the Midwest building, Col. W. L. Taylor, being president, expects to be ready for business about Sept. 1. It will write most of the casualty lines except workmen's compensation. The officers will pay particular attention to

its investment portfolio and purchase only high grade securities, not having any common stocks. Under the law of Oklahoma a casualty company can begin writing business before its entire capital is paid up. It was President Taylor's first idea to begin writing one or two lines July 1. However, the time has been deferred and when it starts operations it will write automobile liability, accident and health, plate glass and burglary. Surety and other casualty lines will be added later.

The executive committee consists of R. J. Bengel, vice-president Southwest-ern Bell Telephone Company in Okla-

homa City, chairman; J. C. Eagen, manager Reconstruction Finance Corporation in Oklahoma, former vice-president Security National Bank of Oklahoma City; M. S. McEldowney, McEldowney & Son, member of the Oklahoma City board of education; Dr. Horace Reed, physician and surgeon, and President Taylor. W. L. Topf is vice-president, H. W. Trekell, secretary and treasurer and E. A. Collins, superintendent of agents.

Holding Company Passes Dividend

Manager E. C. Stone of the Employers Liability announces that the Employers Group Associates is passing its dividend at this time. This holding company owns all the shares of the American Employers, the Employers Fire and is the largest stockholder of the Employers Liability. It holds other securities. Notwithstanding that the underwriting results of the three companies are better than last year, the disturbed condition in the securities market makes it desirable to conserve the resources of the holding company.

The National Union Indemnity has been licensed in Canada for automobile insurance.

Special Rate Consideration for Farmers A "Scoop" for Illinois National Casualty Agents

SEVERAL years of careful underwriting automobile insurance exclusively indicates that farmers drive their automobiles fewer miles, less hours, at lower rates of speed and with infrequent accidents.

These facts are proven and the Management feels that a rate consideration is in order. We are not cheapening our service or providing less coverage but issuing our regular standard policy at a special rate to a preferred class of automobile owners.

This is one of the many reasons why Illinois National Casualty agents in Illinois and Indiana are increasing their volume. To be able to offer a reliable Stock Company policy to farmers at rates based upon the experience of that group is a sales fact well worth your consideration.

If you are interested in securing the insurance on more farmers' automobiles you will write to our nearest office today.

ILLINOIS SERVICE OFFICES

Springfield
524 E. Capitol Ave.
Phone Capitol 138

Kankakee
Arcade Bldg.
Phone: 28

Belleville
Advocate Bldg.
Phone: 740



T. H. REITER
President

C. H. BARR
Vice-President

HOME

540 N. Michigan Ave.

CHICAGO

OFFICE

Whitehall 6802

INDIANA SERVICE OFFICES

South Bend
111 N. Lafayette Blvd.
Phone: 21646

Peru
29 E. Main
Phone: 715

SPECIALISTS IN AUTOMOBILE INSURANCE

CASUALTY PERSONALS

R. A. Hogsett, casualty manager of the Travelers in Boston, who went with the company in Reading, Pa., as a special agent July 1, 1907, was guest at a dinner given by associates in honor of his 25th anniversary with the company. Thomas Fox, office agent, presided. Mr. Hogsett was presented an engraved silver bowl. Executives at the head office sent congratulations. Mr. Hogsett after leaving college was in banking. After going with the Travelers he was made manager at Reading. In 1910 he was taken into the home office to do special work; in 1911 he went to St. Louis as casualty manager, and from 1913 to 1917 he was manager at Milwaukee and Albany, respectively. In 1917 he went to

Cleveland as manager, and in 1926 went to Boston to succeed the late A. E. Gates as casualty manager. Mr. Hogsett has been president of the Casualty Managers Association of Boston.

The staff of the London & Lancashire Indemnity, at its administrative offices in Hartford, recalled the 30th anniversary of the connection of **J. Urmson**, secretary and comptroller, with the company, by presenting him a gold plaque, suitably inscribed. Congratulatory remarks were made by United States Manager Gilbert Kingan and other officials. Mr. Urmson started with the company as office boy in Liverpool in 1902, being transferred to the United

States as comptroller 11 years ago, and subsequently becoming secretary as well.

Ernest A. Paviour, president of R. S. Paviour & Son, Rochester, N. Y., has been elected a trustee of the University of Rochester.

President **H. A. Behrens** of the Continental Casualty of Chicago left last week to spend the rest of the summer at his summer home at Belvidere Island in San Francisco Bay.

B. G. Wills, vice-president Fireman's Fund Indemnity, addressed the San Francisco group of the Allied Automotive Industries of California, Monday on automobile accidents, their cost and the responsibility of the public to halt their increase. Mr. Wills is a member and one of the guiding spirits in the San Francisco council for the reduction of automobile accidents, through whose efforts the press and the citizenry of San Francisco have been aroused over the serious situation in the community.

A. M. Wash, former Kentucky insurance commissioner, treasurer of the Inter Southern Life and head of the American Life & Accident's claim adjustment department, died suddenly near Shelbyville, Ky., last week. Death was due to a heart attack, following an attack of acute indigestion. Mr. Wash was 56 years of age. He had attended an agents meeting at Lexington, was taken ill on his way home.

Edward J. O'Neil, joint manager Boston office of the United States Fidelity & Guaranty, having completed his 25th year in that position, was given a dinner in honor of the event. Mr. O'Neil began his insurance career 50 years ago in the office of John C. Paige & Co.

Charles T. Easterby, who was recently appointed Philadelphia branch manager for the Zurich, is in Chicago this week visiting United States Manager Arthur W. Collins and other head office officials. Mr. Easterby was formerly assistant manager of the Alliance Casualty branch office in Philadelphia.

Clash May Lead to a Separation

(CONTINUED FROM PAGE 25)

gency rate advance, while the non-stock representatives refuse to endorse anything more than a 14 percent increase, solution of the problem rests with C. W. Hobbs, representative of the National Convention of Insurance Commissioners. Occupying a strictly neutral position and responsible alone to the state commissioners, Mr. Hobbs will independently study the issue and in the minds of some underwriters will recommend a rate increase of possibly 20 percent.

Got a Slight Increase

Until last year rates of the National Council were predicated upon completed experience of several policy years, no consideration being given the trend factor, which was steadily upward, so that the rates charged by the carriers was never adequate for the current experience. In 1931 the carriers, realizing that the heavy losses to which they had long been subjected must be checked if the companies were to escape ruin, sought and secured from the commissioners of many states an emergency rate advance of modest proportions. This increase proved of slight benefit, however, in view of the great falling off in payrolls and the growth in the number and seriousness of claims. A further increase in rates to meet the situation was held to be necessary; a proposition readily conceded in principle by the commissioners who recommended that the extent of the increase required be figured by the National Council.

Stand Is Inconsistent

While the retrospective plan of risk rating proposed by the stock companies has been withdrawn, opposition on the part of the non-stock carriers was held by the stock men to be thoroughly inconsistent, in that the very foundation of a mutual company's operations is refunding to members any reduction in the cost of indemnity that might result from a favorable loss experience. The attitude of the mutual men in such connection, plus their determined opposition to the rate increase now advocated by the stock carriers, has further intensified feeling between the two types of underwriters. While it is hardly likely to force a break in the membership of the National Council it certainly has not healed the breach that has existed for a number of years past. Not a few of the stock men regret that the stock and the non-stock companies were ever linked together, feeling that the underlying practices of the business differ so markedly, uniformity of agreement on any important point is virtually out of the question.



DeWitt Operated Hotels
feature

**Unusually Comfortable Rooms,
the Finest of Foods
and
Rates Starting at \$2.50 Single**

**In CLEVELAND It's
THE HOLLENDEN**

ELMER HÖGREN, Manager

1050 Rooms, all with Bath

4-Station Radio Speaker in Every Room

**In COLUMBUS It's
THE NEIL HOUSE**

TOM A. SABREY, Manager

650 Rooms, all with Bath

**In AKRON It's
THE MAYFLOWER**

C. J. FITZPATRICK, Manager

450 Rooms, all with Bath

4-Station Radio Speaker in Every Room

WINZER & CO.

CERTIFIED PUBLIC ACCOUNTANTS

Specializing in

**INSURANCE
ACCOUNTING**

**29 S. La Salle Street
CHICAGO**

INDIANA INSURANCE COMPANY

A STOCK COMPANY CHARTERED 1851—OPERATING ONLY IN INDIANA

Capital, Surplus and Reserves for Protection of Policyholders over \$700,000.00

Writing

AUTOMOBILE

All Lines in One Policy

FIRE and WINDSTORM

*Combined coverage, equal or unequal
amounts, in one policy.
Excellent reinsurance facilities*

PLATE GLASS

Unexcelled contracts

COOLING - GRUMME - MUMFORD CO.

State Agents

Riley 6452

8 East Market St., Indianapolis

SPECIAL AGENTS

**ERNEST NEWHOUSE
LA RUE BYRON
EMERSON NEWHOUSE**

HOW about
an agency
contract with
a Company
that will
help an
agent when
help is
needed?

THE F. C. & S. (Fire, Casualty and Surety) BULLETINS

will make it possible for you to

1. Write more *new* business and write it better than you have been doing, and
2. Make more certain that you will hold your present business.

"I am more than pleased with the F. C. & S. Bulletins. I have obtained the cost of them in value already."
R. E. Rockefeller Agency, Inc.,
Syracuse, New York.

"I have gained considerable knowledge from these Bulletins and certainly would not be without them."
Schindler Realty Corp.,
Union City, New Jersey.

"They have been very helpful indeed. Agents, brokers and also agency managers should subscribe for this service."

R. H. Malmquist,
New York, N. Y.

"These Bulletins will be of great service to our agency."
J. B. Coykendall & Son, Agents,
Elmira, New York.

"We cannot do without this service."
Henry & Rockey, Inc.,
Harrisburg, Pa.

"You are supplying a long felt need."
J. E. Shennett, Special Agent,
Crum & Forster,
New York, N. Y.

"I find your publication of very great interest and material help. I have obtained a number of very good ideas and wish to commend you for the very able and thorough manner in which you prepare the information. It is a real inspiration to the thinking insurance man."
C. F. Vielle,
Collinswood, N. J.

"We have found the F. C. & S. Bulletins to be of inestimable value to us."
The Capital Insurance Corp.,
Washington, D. C.

"I find the information given in your Bulletins very helpful."
James J. Murphy,
Boston, Mass.

"We find them very useful. You are to be congratulated on the good work you are doing."
Arthur B. Guest, Inc.,
Philadelphia, Penna.

"Very helpful. As a field man they keep me well informed on all matters that are important relative to underwriting and sales."

O. H. Pierce,
Buffalo, New York.

"Your very excellent treatment of the subject of Use and Occupancy insurance, and the general get-up of the bulletin prompted me to subscribe."

Walter A. Bell, Special Agent,
The Continental Insurance Co.,
Pittsburgh, Pa.

"Well worth the cost as any one of the suggestions made might pay several times in commission the entire cost of the annual subscription."

Wm. Shedd Holton, State Agent,
United States Fidelity &
Guaranty Co.,
Wilmington, Dela.

"Regardless of any other Bulletin Service or Educational Service received, every Agency office in the United States and Canada should be a subscriber to the F. C. & S. Bulletins and keep a copy in his office immediately available to everyone connected with their insurance department."

Percy H. Goodwin,
San Diego, California.

"Your service is just what a great many agents have been looking for for a number of years, and we are glad to know that you are increasing the number of your subscribers materially."

Ben. R. Comings, President
Moon Agency, Inc.,
Great Falls, Montana.

"I am very enthusiastic about your Bulletins. Should be part of the standard equipment of every up to date insurance office."

C. H. Rotter, Supt. of Agents,
Cobb, Miller & Stebbins,
Denver, Colorado.

"I would not be without the Bulletins under any consideration."

E. N. Van Ness,
Los Angeles, California.

"We find these Bulletins indispensable to this agency."
Henry Broderick, Inc.,
Seattle, Washington.

"I consider it the best thing I have seen yet."
Leo Mund,
Mund & Company,
San Francisco, California.

"I find the F. C. & S. Bulletins valuable and refer to it almost every day."

L. Edward Hed, Special Agent,
Phoenix, Arizona.

"We find the Bulletins exceedingly useful and would think that every agent would be interested in the publication."

Channing B. Cornell, Res. V. P.,
Fidelity and Casualty Co.,
San Francisco, California.

"I am getting value received for my money—very comprehensive."

J. K. Pratt,
Eugene, Oregon.

"They are mighty fine. I wonder why I did not get them sooner."

B. F. McCarroll,
Fayette, Idaho.

"May I take this opportunity to congratulate you in regard to the manner in which the information regarding all types of insurance is presented. We find your Bulletins of great value to this organization."

W. L. Wallace, V. P.,
Ass'd Fire & Marine Ins. Co.,
San Francisco, California.

"Allow me to congratulate you upon your endeavors and the publication of the bulletins. The writer has been in the insurance business for the past twenty years and this is the first medium that deals with insurance problems in a manner that is understandable."

Theo. Castle,
San Diego, California.

"The Bulletins are excellent and I am deriving great benefit from them."

Philip R. Moale,
Asheville, North Carolina.

"Your service through the Bulletins has been very beneficial and we recommend them to any agency as a means of keeping pace with new developments and progress taking place in the insurance field."

C. M. Hunt Company,
Nashville, Tenn.

"... assuring you of my great appreciation of the high quality of the Bulletins."
Lionel J. Bourgeois,
New Orleans, La.

"It is hard for us to say which Bulletin has been of greatest value, because each Bulletin discusses its subject thoroughly. We are certainly sold on the Bulletins."
W. L. Thaxton & Co.,
Houston, Texas.

"I find these Bulletins very good."
Ralph M. Pons,
New Orleans, La.

"The Bulletins are of great assistance to our office and I can't afford to miss any of them."
Horace England,
Nashville, Tenn.

"We regard the Bulletins as absolute authority."
Steckler-Wagner, Inc.,
New Orleans, La.

"I wish I could tell you how much I appreciate your F. C. & S. Bulletins. Every month they bring me new analyses of needed forms of protection, practical, up-to-date information, instantly available for my use. They meet the most exacting demands for accurate, concise information for Agency Service, in analyzing and protecting the insurance needs of prospects and policyholders, and for competitive and creative salesmanship in the premium producing end of the business."
C. N. Lindberg,
Freeport, Illinois.

"This is the only assistance that we have been able to obtain that gives us complete, authentic and valuable information, which is available at all times. We would recommend that any agency who wants to keep up to date in the insurance business use your Bulletins."
Smith, Stone & Snyder,
Wichita, Kansas.

"Your Bulletins have paid for themselves, pay for the entire year each week. I use them most every day. I shall be glad to have you use my name as a recommendation to any agent that might be interested."
Glen C. Webb, Incorporated,
Lima, Ohio.

"We have found the Bulletins to be a wonderful help and an ever ready source of reliable information worth a great deal more than the price we are paying for the service."

Bitting & Foote,
Wichita, Kansas.

"I like the service and recommend it continually."
Thomas Kingsley, Jr., Mgr.,
Travelers Fire Ins. Co.,
St. Louis, Mo.

"Very helpful in the solicitation of business and instructive in the broadening of our knowledge of insurance."
John L. Lau, Director of Prod.,
Grain Dealers Mutual Ins. Co.,
Indianapolis, Indiana.

"I prefer your Bulletins to any service to which we subscribe."
Will H. Harrison, State Agent,
Des Moines, Iowa.

"Your Bulletins are getting better and better every month and the pleasing thing about them is that they seem to touch upon timely subjects."
Fred L. Gray Company,
Minneapolis, Minnesota.

Over 600 fully indexed pages in two fine ring binders; at least 24 pages of additional bulletins each month. Published by the largest insurance publishers in the United States.
Sent on approval. Use order blank below.

The National Underwriter Co.,
420 E. Fourth Street,
Cincinnati, Ohio.

Please send full information in regard to the F. C. & S. Bulletins.

Name

Address

Date
N. U.

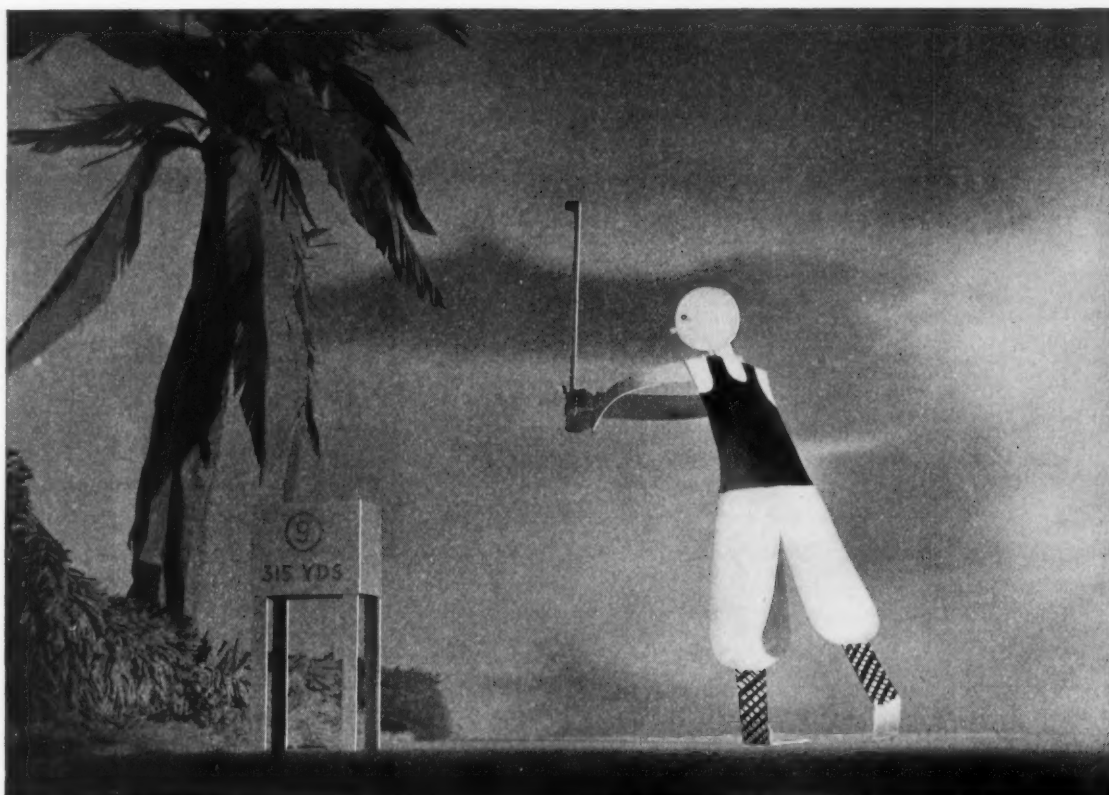
The National Underwriter Co.,
420 E. Fourth Street,
Cincinnati, Ohio.

Please send me the F. C. & S. Bulletins on 10 days' approval. At the end of 10 days after receipt if I do not return them I shall send you my check for \$6.00 and you may enter my subscription; for the first year you may bill me for four payments of \$4.75 each to be made in 1, 3, 6 and 9 months.

Name

Address

Date
N. U.



NO MATTER HOW YOU SLICE IT.....

you need golfer's liability insurance, and so does every golfer. No matter how few claims he may have the golfer's liability policyholder becomes more conscious of the need for the other liability coverages. What are these coverages? . . . Read the human interest stories of liability claims; learn of the new public liability policy which The Employers' Liability and American Employers' will offer its agents in the near future; familiarize yourself with the facts concerning elevator inspections; or, to express it briefly, read The Employers' Pioneer. . . . The Employers' Liability Assurance Corporation, Ltd., the parent company of The Employers' Group, is the world's pioneer in liability insurance. Doesn't it seem logical, therefore, that in The Employers' Pioneer insurance men would find helpful suggestions regarding

the liability lines? This copy of The Pioneer is available to anyone who is sufficiently interested to write for it. No obligations, financial or otherwise result, should you ask that your name be placed upon the mailing list. . . . The recent issues concerning burglary lines, accident insurance, automobile coverages and the machinery number might be more interesting to you. A few extra copies are available to those who wish them, on the basis of "first come, first served." If you are interested in these, we will take care of all requests promptly as long as the supply lasts. . . . Address Publicity Dept., 110 Milk Street, Boston.

THE EMPLOYERS' GROUP

The Employers' Liability Assurance Corporation,
 Ltd. . . The Employers' Fire Insurance Company
 . . . American Employers' Insurance Company
 110 Milk Street, Boston, Massachusetts

